A STUDY IN

NEPALI ECONOMIC HISTORY

1768-1846

By

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TO MY FELLOW COUNTRYMEN,
WHO HAVE SUFFERED MUCH.

PREFACE

This attempt to study Nepali economic history during the period from 1768 to 1846 may require an explanation, but hardly any apology. There has no doubt been a spurt in historical writing in Nepal in recent years. The patience and perseverance of a number of individuals in discovering and bringing to light documents, inscriptions and other source materials belonging to different historical periods have been commendable. Their diligence in the etymological interpretation of these source materials, and the meticulous care with which they pinpoint errors and inaccuracies in date, name, place and personal relationships, are an essential process in our understanding of Nepal's past. One wonders, however, to what extent these efforts have made the problems and challenges faced by our ancestors comprehensible and meaningful to the present generation. The modern conception of history is certainly not that of the chronologist or the antiquarian. The obsession with the presentation of objective facts from which Nepali historical writing has hitherto suffered has in fact distorted the very meaning and significance of history, for too often the product has been nothing but "a dysgenic selection of the immaterial and the futile."[1] The art of writing history is by no means a mere "scissors-and-paste" effort[2] to collect historical facts and assemble them in chronological order. As one writer says :—

> (Historical facts) have the same relation to history as bricks or steel or concrete have to architecture. They are facts which need to be established, tested and verified; the historian must not be caught out using shoddy material. But they are not in themselves "facts of history". It is only the decision of the historian to use them, the conviction of the historian that they are significant for his purpose, which makes them into the "facts of history"......History is therefore a process of interaction between the historian and the past of which he is writing. The facts help to mould the mind of the historian. But the mind of the historian also, and just as essentially, helps to mould the facts. [3]

Nor is the present lacuna in the field of Nepali historiography limited solely to methodology. From the viewpoint of substance too, the persistent disregard for the economic aspects of Nepal's historical problems is inexplicable and indeed inexcusable.

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[1] John Madge, *The Tools of Social Science*, London : Longmans Green & Co., Ltd, 1965 (Fourth Impression), p. 111.

[2] R. G. Collingwood, *The Idea of History*, London : Oxford University Press, 1966(Reprint), p. 281.

[3] E. H. Carr, *The New Society* (1951), cited in : Madge, *op. cit.*, p. 110.

The choice of dynastic chronology, political relationships or the esoteric aspects of human life as subjects for historical research may be explained by the personal predilections of the researcher or his incapacity to assimilate available historical data; but the contribution made by such efforts to the better understanding of the life and problems of the Nepali people in the past is of dubious value. More than a century ago, Karl Marx wrote: "The mode of production in material life determines the general character of the social, political, and spiritual processes of life. It is not the consciousness of men that determines their existence, but on the contrary their social existence determines their consciousness."[4] This assertion may seem to be too extreme and one-sided, but hardly any social scientist would deny today that "the conditions in which men produce their livelihood are extremely powerful, and, in the ultimate, the most powerful single (though by no means the exclusive), determinants of the development of social organization."[5]

The present study therefore seeks to describe how the people of Nepal earned their living and what factors affected their economic life during the period from the mid-eighteenth century to the mid-nineteenth. It deals with the economic aspect of the people's life in the belief that this is the aspect that concerns their very survival, and, as such, governs the nature of their life in other aspects too. It is concerned with such general phenomena as affect the life of the people from the economic viewpoint and not with particular incidents or personalities as subjects of intrinsic interest.[6] Rather, it concentrates on the facts of economic life with the objective of determining the stage, nature and pace of economic development, and of identifying specific factors inducing or retarding economic progress. The book starts with a general account of the kingdom of Nepal, the process of political unification after the mid-eighteenth century and the economic aspects and consequences of this development (Chapter I). This is followed by a general survey of economic conditions prevailing in different areas now constituting the kingdom of Nepal on the eve of the Gorkhali conquests (Chapter II). Chapters III and IV contain a description of the land tenure and fiscal policies of the government of Nepal as part and parcel of measures to mobilize resources for territorial expansion. Next comes an analysis of agrarian conditions in different parts of the kingdom and the burden of the war effort imposed on the peasant in the form of land and other taxes and compulsory labor obligations (Chapters V-VI). The book then discusses the system of local and district administration devised to enforce these fiscal and labor obligations and their impact on the economic life of the people (Chapter VII). The policies and programs followed by the government of Nepal before the Nepal-British war (1814-16) in both the agricultural and non-agricultural sectors are discussed in Chapter VIII. General economic developments during the post-war period, from 1816 to 1846, are summed up in Chapter IX, while the last chapter makes an attempt to analyse broadly the general characteristics of the national economy during the entire period covered by the study.

As the contents show, the study is essentially a description of the economic policies and programs followed by the Gorkhali rulers to mobilize human and material resources for territorial expansion. As such, it should prove helpful in providing insights into the basic features and objectives of Gorkhali rule without which the political history of this period cannot be studied meaningfully. But an even more significant aspect of this study is the light it seeks to shed on the impact of these policies and programs on the life of the people. It is in this respect that it leaves the narrow and traditional confines of previous historical studies on Nepal and makes an attempt to cover the entire country on a broad, regional basis and analyze economic influences at work among the people. The author can perhaps rightly claim that in not confining his attention to wars, dynastic chronologies and political intrigues in Kathmandu as a fitting, and indeed, the only subject-matter of historical study, he has set up a precedent in Nepali historiography. At the same time, the author would hesitate to claim that the study gives comprehensive insights into the character of Nepali economic life during the late eighteenth and early nineteenth centuries. At best, it only provides the basic framework for deeper and more analytical research in the fields of Gorkhali society, economy and administration. The author will deem his mission to have been fulfilled if this book stimulates further research and channels Nepali historiography along new directions.

The author is fortunate enough to have been given access to the archival records of His Majesty's Government of Nepal for purposes of research. The value of these primary and authentic materials in any study of social and economic conditions in Nepal during the period of this study should need no emphasis. It is, of course, true that these records are wholly official, so that they present the official rather than the people's point of view on socio-economic questions. But this defect is more apparent than real, for frankness is an outstanding characteristic of most of these documents. The actual state of affairs prevailing in the country thus becomes clear when we peruse regulations admitting that particular regions had become depopulated because of the oppression of administrative officials or local functionaries, or else of exorbitant rates of interest. In several cases, moreover, administrative orders and regulations give a brief description of the complaints of the people, acts of omission or commission on the part of administrative officials, or the emergence of particular situations which necessitated their promulgation. In these circumstances, it should not be too difficult for any serious scholar to sift the facts contained in these records and make an attempt to present an objective and dispassionate analysis of economic trends. This is what the author has attempted, and it is for critics to judge the actual measure of his success.

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[4] Robert Freedman, *Marx On Economics*, Middlesex, England: Pelican Books Ltd, 1968 (Reprint), p. 5.

[5] Eric Roll, *A History Of Economic Thought*, London: Faber and Faber Ltd, 1966 (Reprint), p. 290.

[6] Cf. John Hicks, *A Theory Of Economic History*, London: Oxford University Press, 1969, p.4.

The author is indebted to Dr. Leo E. Rose, without whose support and encouragement the study would never have been undertaken, and without whose meticulous editing it would have been considerably less readable; to Prof. Merrill R. Goodall for the foreword as well as for many helpful suggestions; to Prof. Fr. Ludwig F. Stiller, Prof. Ernest Gellner and Mr. Boyd Michailovsky for having critically studied the manuscript and given detailed comments, criticism and suggestions, and to Dr. Harka B. Gurung for the map. Thanks are also due to the concerned authorities of His Majesty's Government of Nepal for permission to use official archival materials, and to Mr. H. K. Kuloy and the Manjusri Publishing House, New Delhi, for their cooperation in printing and publication.

December 27, 1971
Lazimpat, Kathmandu,
Nepal.

MAHESH C. REGMI

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(Nos. 1-3 are from Kirkpatrick: "An Account of the Kingdom of Nepaul," London 1811. No. 4 is taken from Turner: "An Account of an Embassy to the Court of the Teshoo Lama in Tibet", London 1800.)

Woe to the writer that exhausts his subject; his reader gets exhausted first.

WALTER BAGEHOT

Errata

1/ Content -

Instead of the pages of 20 (Chapter 1), 13 (Chapter 3)
and 14 (Chapter 4) - use Pages 1,55 and 68 respectively

2/ List of Photographs - (Before Chapter 1)

Drop the pages against the List -
Now use 200 to 201

3/Page 59/ Last but one line -

Instead of 'EOG' - use ECG

4/Page 99/ Para 3/ 7th & 8th lines -

Instead of '90 degree' - use nearly 60 degree

5/Page 152/ Proforma-Table 3 -

Uppermost 3rd horizontal column - Instead of
'Numerical Value(OV)' - use Occurance Value (OV)

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| b/ Lower

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the lines of the page 153

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10/Page 166 to 167 -

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12/Page 218/ 4th para/ 4th page -

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13/Page 92/ Figure 1 -

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14/Page 100/ Figure 3 -

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- Use - - - - against the 10 different vertical stages

15/Page 112/ Figure 5--

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16/Page 132/ Figure 7 -

S
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17/Page 166/ Photograph -1 -

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CHAPTER I

POLITICAL UNIFICATION: ECONOMIC ASPECTS AND CONSEQUENCES

The objective of the present study is to describe the economic life of Nepali society and the economic factors which shaped the course of its evolution during the period from the early eighteenth century to the mid-nineteenth. Since history, particularly economic history, is unintelligible without a knowledge of the physical geography of the region which is to be studied, we shall begin with a general account of Nepal's geographic divisions. We shall then describe the political divisions existing in this region during the early eighteenth century, the process of its political unification and the economic aspects and consequences of this development.

Geographic Divisions

Topographically, the Kingdom of Nepal may be divided into three major regions, the Tarai, the inner Tarai and the hill region. The Tarai region is a narrow strip of plain, 25 to 35 miles wide. It runs along the southern border adjoining India except at two points, Deukhuri and Chitaun. Approximately 200 feet above sea level in its southern sector, the Tarai rises gradually to about 1,000 feet at the point where it meets the foothills of the Siwalik (Churia) range. The term is of Persion origin, meaning damp, and is an appropriate one in view of the hot and humid climate. The region comprises a dense forest belt. The soil is generally alluvial and quite fertile, except at places where it is sandy or gravelly as a result of recurrent floods and erosion. The region comprises the present districts of Jhapa, Morang, Sunsari, Saptari, Siraha, Dhanusha, Mahottari, Sarlahi, Rautahat, Bara and Parsa in the east and Kanchanpur, Kailali, Bardiya, Banke, Kapilavastu and Rupandehi in the west. The forests of the Tarai run into the Siwalik hills, a broken range of dry sandstone hills which are approximately 2,000 to 3,000 feet above sea level. This region, called the inner Tarai, contains several fairly broad valleys running east to west. It is characterized by swamps and jungles, inhabited by tigers, elephants, rhinoceros and other forms of wild life. The climate is subtropical and malarial. The region comprises the present dsitricts of Dang, Surkhet, Nawal-Parasi, Chitaun, Makwanpur, Sindhuli and Udayapur.

The hill region comprises the Mahabharat hills situated north of the inner Tarai and parallel to the Siwaliks, the main Himalayan range and the areas lying between. The eastern hill region comprises the areas east of Kathmandu Valley to the Mechi River adjoining Darjeeling district in India. It has long and narrow valleys, mostly running from north to south, with poor, stony soils. On the other hand, the central hill region, situated between the Koshi and Kaligandaki Rivers, contains several broad and well-watered valleys such as Kathmandu and Pokhara. The western hill region, between the Kaligandaki and the Mahakali, is characterized by steep slopes, inadequate rainfall and excessive erosion. The over-all picture of the hill region is one of rugged terrain and poor soils. The main Himalayan range includes several mountains over 26,000 feet in height, including Sagarmatha (Mount Everest). However, the northern boundary does not follow the crest line of the Himalayas at all points. In several areas, including Mustang, the boundary juts into the Tibetan plateau to the north of the main Himalayan range.

The hill region may also be classified on the basis of altitude into the valleys, the mid-hill region (3,000 to 6,000 feet above sea level) and the alpine region (above 6,000 feet). While the valleys contain fertile alluvial soils, they have a malarial climate. Population is therefore concentrated in the mid-hill region. This region is important also from the viewpoint of agriculture, as it grows various types of crops, including paddy, wheat and maize. In contrast, the alpine region has a cold and snowy climate with meager rainfall, so that agriculture is not an important economic activity. However, this region contains extensive pastures, so that stock-breeding, dairy-farming and the spinning and weaving of wool are important occupations.

Nepal has three principal river systems: the Karnali in the west, the Gandaki in the central region and the Koshi in the east. All these rivers emerge from Tibet and are joined by innumerable tributaries originating in the hill region before they finally join the Ganges in the plains of north India.

Political Divisions

During the mid-eighteenth century, the territory of the present Kingdom of Nepal was divided into a number of principalities. In the western regions from Kathmandu Valley to the Mahakali River, there were at least 46 separate principalities. These were traditionally divided into two groups: Chaubisi in the Gandaki region and Baisi in the Karnali region. Only a few of these principalities had territories in the Tarai and the inner Tarai, in the present districts of Kapilavastu, Rupandehi, Nawal-

Parasi, Banke, Bardiya, Kailali and Kanchanpur. Kathmandu Valley was the center of three independent political units, Kathmandu, Bhadgaun and Patan. The boundaries of these kingdoms were not limited to the valley, however. The frontiers of both Kathmandu and Bhadgaun touched Tibet in the north, while in the east they included parts of the present Kabhrepalanchok, Sindhupalchok and Dolakha districts. In the west, Nuwakot and Dhading belonged to Kathmandu and Patan respectively. Patan's disadvantage in not having a direct access to Tibet was compensated by its proximity to the Bhimphedi-Hitaura route to India through the Kingdom of Makwanpur. In the regions south of Kathmandu Valley, the Kingdom of Makwanpur touched the borders of Kathmandu Valley in Patan and included the Tarai districts of Bara, Parsa and Rautahat. In the east, the Kingdom of Chaudandi controlled the districts of Okhaldhunga and Bhojpur in the hill region, in addition to Saptari, Siraha, Mahottari, Dhanusha, and Sarlahi districts in the Tarai. Farther east, the Kingdom of Vijayapur controlled the whole of the far-eastern hill districts of Dhankuta, Panchthar, Taplejung, Terhathum and Sankhuwa-Sabha, as well as the Tarai districts of Morang, Sunsari and Jhapa.

The Baisi states in the Karnali region had all formed part of the Malla Kingdom of the eleventh to fourteenth centuries which, centered in Jumla district, included Kumaun and Garhwal to the west and western Tibet to the north of the Himalayas. In the south, this Kingdom included Surkhet in the inner Tarai. At the time of its conquest by Gorkha, Jumla controlled one or two feudatory principalities which were not included in the list of the Chaubisi Kingdoms. These principalities included Mustang, situated behind the Annapurna range and Mount Dhaulagiri on the Tibetan plateau. Mustang had been founded some time during the latter fourteenth century. After intermittent warfare with Jumla for over three centuries, it had finally come under Jumla's suzerainty around 1760.

The Chaubisi states in the Gandaki region had not been able to expand their dominions throughout the whole of this region. Until 1559 a triangular area stretching eastward from Lamjung and Tanahu towards areas adjoining Kathmandu Valley between the inner Tarai in the south and Tibet in the north was still ruled by local tribal chieftains. In that year, a prince of the royal dynasty of Lamjung supplanted the Magar chieftain of Gorkha and founded a new Hindu Kingdom. Gorkha was thus the last Hindu principality to be established in the western hill region. However, it was never included in the list of Chaubisi states, possibly because the lines of affiliation had been formalized before this principality was brought under the rule of a Hindu dynasty.[1]

Palpa was the biggest and most powerful of the Chaubisi states. It included Butaul, which was an important trade centre. Moreover, it had acquired extensive areas in the Tarai on lease from the rulers of India. There is evidence that this Kingdom had encompassed a larger area before the eighteenth century, at least in the hill region. Gulmi and Khanchi had broken off from Palpa as independent principalities. Branches of the royal dynasty of Palpa had founded independent Kingdoms in Tanahu and Makwanpur, and from there had expanded to Vijayapur and Chaudandi in the east. They thus controlled the whole of central and eastern Nepal other than the three Kingdoms of Kathmandu Valley. However, these dynastic links were seldom politically meaningful. In the Kingdom of Vijayapur, the political authority of the royal dynasty appears to have been superimposed upon the traditional autonomy of numerous communities of Kirat stock. This tenuous political structure was symbolized by the institution of a Kirat minister under a Hindu King.

This general description of the political units into which the present Kingdom of Nepal was divided during the eighteenth century is not intended to emphasize their multiplicity or even the small size of most of them. From the viewpoint of later political developments, the balance of power that had more or less been achieved among them commands greater significance. The process of territorial expansion and disintegration had, by the middle of the eighteenth century, proceeded to an extent which made it difficult for any principality to encroach upon its neighbors without inviting retaliation in kind from one or more other principalities. Territorial expansion was therefore possible only if any principality was able to achieve the active support or at least the neutrality of surrounding principalities.

The expansion of the British in northern India injected a new factor in Nepali politics after the mid-eighteenth century. In August 1765, the British East India Company signed a treaty with the Mughal Emperor under which it secured control of the administration in Bengal, Bihar and Orissa. The dominions of the East India Company thus touched those of Nepali principalities in the eastern and central regions. Trade followed as a matter of course. The East India Company had visions of establishing European commercial houses in Kathmandu and using Nepali trade routes for its trade with Tibet. It was natural therefore that it should tend to disfavor any change in the political structure of Nepal that might jeopardize the attainment of these objectives. Relations with the East India Company eventually proved to be the most important factor determining the course of Nepal's political history both during and after political unification.

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[1] Bhuwan L. Joshi and Leo E. Rose, *Democratic Innovations In Nepal: A Case Study of Political Acculturation*, Berkeley and Los Angeles: University of California Press, 1966, p. 5.

The Kingdom of Gorkha

Gorkha at that time was by no means a wealthy or populous State. An English official wrote in the early nineteenth century :[2]

> The chiefs of Gorkha being cut off from any direct communication with either the low country or Tibet, and having no mines nor other productions as basis for commerce, were considered as insignificant.........

The rulers of Gorkha were in fact so poor that they were compelled to borrow small sums of money from their subjects, often stipulating interest at 25% yearly. Such loans occasionally remained unpaid for several generations.[3] Nor were most of the other principalities of this region in a better position. The Raja of Argha received a revenue of about 4,000 rupees a year, and the whole of his territory might contain 5,000 houses.[4] One of the Chaubisi Rajas had the distinction of being called "the Sat Visi, or seven-score Raja, because his revenue amounted to 140 rupees a year; a poverty which renders St. Marino an empire."[5] However, despite its small size and poor resources, Gorkha was fortunate in having a number of outstanding statesmen as its Kings. Ram Shah (1606-1636) introduced the first legal code[6] in the hill region to regulate economic and social relations among his subjects, most of whom belonged to non-Hindu tribal communities. The code had a tremendous impact upon surrounding areas, and, according to one view, may have been an important factor in the subsequent expansion of Gorkha's dominions.[7]

But the principalities which surrounded Gorkha in the west and the south, Kaski, Lamjung and Tanahu, were individually much stronger and commanded more economic resources. The rulersof Gorkha early realized the futility of attempting to expand in these directions. The main thrust of Gorkha's expansionist ambitions was therefore directed towards the east, the north and the south in areas controlled by local Magar and Gurung chieftains. During the region of Ram Shah, this principality reached the borders of Kathmandu at Nuwakot and of Tibet at Rasuwa. If traditional chronicles of the royal dynasty of Gorkha are to be believed,[8] expansion towards the east by conquering Kathmandu Valley formed part and parcel of Gorkha's policy even during the reign of Narbhupal Shah (1716-1743). It was in furtherance of this objective that an attempt was made in 1737 to wrest Nuwakot from Kathmandu, but without success.[9]

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[2] Francis Hamilton, *An Account Of The Kindgom of Nepal, and of the Territories Annexed to This Dominion by House of Gorkha*, Edinburgh: Archibold Constable & Co., 1819, p. 245.

[3] Dhanabajra Bajracharya, *et. al.* (eds), *Aitihasik Patra Sangraha* (A Collection of Historical Documents), Part II, Kathmandu: Nepal Samskritik Parishad, 1964, pp. 10-11, 50-51.

[4] Hamilton, *op. cit.*, p. 267.

[5] *Ibid*, p. 269.

[6] For a full text of this code, see His Majesty's Government, *Shri 5 Surendra Bikram Shah Dev Ra Shasan Kalma Baneko Muluki Ain* (Legal Code Enacted During The Reign of King Surendra Bikram Shah Dev), Kathmandu: Ministry of Law and Justice, 1965, pp. 695-700.

[7] Joshi and Rose, *op. cit.*, p. 12.

The Process Of Political Unification

On April 3, 1743, Prithvi Narayan Shah ascended the throne of Gorkha at the age of 20. Energetic preparations were then undertaken for the conquest of the three Kingdoms of Kathmandu. Prithvi Narayan Shah visited India to procure firearms as well as technicians to arrange for their local manufacture.[10] With the objective of protecting his rear flank, he sent embassies to promote amicable relations with Kaski, Lamjung, Tanahu and Palpa.

Nuwakot was finally annexed in 1744.[11] The conquest of Nuwakot gave Prithvi Narayan Shah a leverage for insuring Gorkha's participation in the profitable trade between Tibet and the southern areas. Kathmandu's King had no alternative but to accept this new role of Gorkha,[12] because the main trade route between Kathmandu and Tibet lay through Nuwakot. However, Prithvi Narayan Shah was unable to derive much benefit from

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[8] Yogi Naraharinath (ed.), *Gorkha Vamshavali* (Genealogy of The Royal Dynasty of Gorkha), Banaras: Aryabir Sangh, 1964, pp. 95-103.

[9] *Ibid*, p. 102.

[10] Yogi Naraharinath (ed.), *Rashtrapita Shri 5 Bada Maharaja Prithvi Narayan Shah Dev Ko Dibya Upadesh* (Divine Counsel of The Father of The Nation, The Great King Prithvi Narayan Shah Dev), Kathmandu: Prithvi Jayanti Samaroha Samiti, 1953 (Second Revised Edition), p. 27. For a full English translation of this document, see L. F. Stiller, S. J., *Prithvi Narayan Shah In The Light Of Dibya Upadesh*, Kathmandu: the author, 1968, pp. 38-46.

[11] *Dibya Upadesh*, *op. cit.*, p. 8; Stiller, *op. cit.*, p. 27. According to Stiller, "It was essential to the success of Prithvi Narayan's plans that when he moved towards Kathmandu Valley in the east, the situation on his western borders be secure."

[12] The text of a treaty signed in December 1857 between Gorkha and Kathmandu regarding trade with Tibet and other matters is given in Naya Raj Pant *et. al.*, *Shri 5 Prithvi Narayan Shah Ka Upadesh* (Teachings of King Prithvi Narayan Shah). Lalitpur: Jagadamba Prakashan, n.d. Vol. 3, pp. 973-974.

these arrangements, because Tibet wanted him to exchange his pure silver coins with the debased coins of the former rulers of Kathmandu Valley which used to circulate in that country.[13] Even then, he appears to have successfully acted as an intermediary for the exchange of gold from Tibet with silver brought by Indian merchants.[14]

By 1748 Prithvi Narayan Shah was able to subjugate Sindhupalchok, Kabhrepalanchok and other areas in the east. The passes of Kuti and Kerung, which constituted the main routes through which trade flowed between Kathmandu Valley and Tibet, also came under Gorkhali control. The conquest of the Kingdom of Makwanpur in September 1762 enabled Prithvi Narayan Shah to control such areas in the eastern Tarai as Bara, Parsa and Rautahat, as well as Sindhuli-Gadhi, through which Kathmandu Valley maintained contact with India. The conquest of Kirtipur after repeated attempts in March 1767 gave him his first strategic foothold in Kathmandu Valley. Military expeditions sent against him by Nawab Mir Kasim of Bengal in Makwanpur in January 1763 and by the East India Company in Sindhuli-Gadhi in 1767 were repulsed, but in the process the eastern Tarai districts of Bara, Parsa, and Rautahat remained under the occupation of the East India Company until January 1771.

These successes enabled Prithvi Narayan Shah to concentrate his efforts on the conquest of the three Kingdoms of Kathmandu Valley. His control over territories adjoining these Kingdoms in all directions made it possible to impose an economic blockade against Kathmandu Valley. Demoralized by the blockade and bereft of any natural defenses, the Kingdom of Kathmandu was finally overrun in September 1768 without a drop of blood being shed. The conquest of Patan and Bhadgaun was completed in less than a year thereafter. Prithvi Narayan Shah then shifted his capital from Gorkha to Kathmandu and thus laid the foundation of the present Kingdom of Nepal.

In 1775, when Prithvi Narayan Shah died, the Kingdom of Nepal included the whole of the eastern Tarai (Morang, Sunsari, Jhapa, Saptari, Siraha, Sarlahi, Mahottari, Dhanusha, Bara, Parsa and Rautahat), the eastern and central inner Tarai (Sindhuli, Udayapur, Chisapani and Makwanpur), the whole of Kathmandu Valley, the eastern hill region up to the Tista River bordering Sikkim, and a small part of the western hill region (Nuwakot, Dhading, Gorkha and Jajarkot). By 1789, the Chaubisi and Baisi principalities in the western region had all been annexed, and the frontier extended to the Mahakali River in the west. Kumaun was conquered in 1790. By 1808, the Gorkhali army had reached Kangra across the Jamuna River. The frontiers of Nepal thus extended to a distance of approximately 1,300 miles from the Tista River in the east to the Sutlej River in the west. War with the East India Company during 1814-16 led to the loss of considerable territory in the Tarai with the exception of Morang.[15] However, in December 1816, the East India Company returned part of this Tarai territory, comprising the districts of Saptari, Siraha, Sarlahi, Dhanusha, Mahottari, Bara, Parsa, Rautahat, Kapilavastu, Rupandehi and Nawal-Parasi,[16] thus leaving a 25 to 35-mile wide strip of Tarai territory under Gorkhali occupation. Geopolitical considerations, in fact, appear to have led rulers in India "to allow the mountain chiefs, even when very petty, to retain at least this extent of the low country, as being too obnoxious to their incursions to be of a value adequate to defray the expenses of its defense."[17]

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[13] *Aitihasik Patra Sangraha*, *op. cit.*, Part II, pp. 79-82.

[14] *Ibid*, p. 84; Naya Raj Pant, *op. cit.*, pp. 956, 956-971.

A Nepali scholar has noted that in this war the Nepalis defeated the English in the area from the Koshi to the Karnali and were able to at least hold their own in the Jamuna region. On the other hand, they could not even defend themselves in the Gangetic region.[18] It has therefore been rightly pointed out that in their campaign of conquest the Nepalis "knew not when to stop."[19] We may ignore, in the present context, the many political and military factors which contributed to Nepal's defeat at the hands of the English. It may be sufficient to point out that communications with the newly-conquered areas in the west were so uncertain that in 1792 a letter sent by militry commanders in Garhwal reached Kathmandu only after nearly eight months.[20]

Factors Behind Political Unification

The territorial expansion of the Kingdom of Gorkha, which led to the unification of a number of petty principalities and the establishment of the present Kingdom of Nepal, was the consequence of complex social, political and economic factors. The general view is that the establishment of the Kingdom of Nepal was due primarily to the "nationalist" spirit of Prithvi Narayan Shah, for whom conquest was "the aim of life", and who believed that the country's progress and security would be assured if it was kept free from the influences of European colonialists.[21] However, the economic background to his campaigns of conquest has received insufficient attention.

In fact, it is possible to locate economic factors behind almost every step in the process of political unification. An analysis of the pattern of Prithvi Narayan Shah's military campaigns indicates that the underlying objective was to gain control of territory in the Tarai as well as the trade routes between India and Tibet. It was to these two factors that he attributed the comparative opulence of such principalities as Palpa, Makwanpur and Vijayapur, as well as of the three Kingdoms of Kathmandu Valley. In a letter written to one of his generals on the eastern front in 1774, Prithvi Narayan Shah described the Tarai as "superior and revenue-yielding territory" and the hill region as "inferior territory". He added, "We should not relinquish territory in the Tarai...even if there is war."[22]

The diversion of military resources to the annexation of the small hill principalities in western Nepal who possessed none of such economic advantages thus appeared hardly worthwhile. Prithvi Narayan Shah's military clashes with these principalities were intended mainly to protect his rear flank. He gave priority primarily to expansion towards the east. The reasons for this preference are not difficult to understand. The eastern hill regions, as well as the eastern Tarai and most of the Central Inner Tarai, comprising a total area of approximately 15,000 square miles, were controlled by only three principalities: Makwanpur, Chaudandi and Vijayapur. In contrast, in the western region, two of the most formidable opponents of Gorkha, Lamjung and Kaski, occupied a little more than 2,000 square miles.

Gorkha therefore concentrated its energies in the initial stage on the annexation of the three Kingdoms of Kathmandu Valley. The primary objective was to take advantage of the strategic position of this region in the Indo-Tibetan trade. The Kingdom of Makwanpur was annexed primarily because it commanded the trade route from India to Tibet through Kathmandu and also because it possessed the eastern Tarai regions of Bara, Parsa and

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[15] A full text of the treaty then signed between Nepal and the English East India Company is contained in: C.U. Aitchison, *A Collection Of Treaties, Engagements, And Sunnuds, Relating To India And Neighboring Countries*. Calcutta, Bengal Printing Company, 1863, Vol. II, pp. 205-207. The treaty is dated December 2, 1815 but was ratified by the Government of Nepal only on March 4, 1816.

[16] *Ibid*, pp. 208-209.

[17] Hamilton, *op. cit.*, p. 62.

[18] Mahesh Raj Pant, "Bi. Sam. 1871-72 Ko Nepal-Angrej Yuddhama Nepalle Harnama Euta Thulo Karan." ("A Major Reason Behind Nepal's Defeat In The 1814-15 Nepal-English War"). *Purnima*, 1, Baisakh 2021 (April 1964), pp. 47-58.

[19] James Baillie Fraser, "*Journal Of A Tour Through Part Of The Snowy Range Of The Himala Mountains And To The Sources Of The Rivers Jamuna and Ganges*. London: Rodwell and Martin, 1820, p. 9.

[20] *Aitihasik Patra Sangraha*, *op. cit.*, Part I, p. 56.

[21] D. R. Regmi, *Modern Nepal: Rise And Growth In The Eighteenth Century*. Calcutta: Firma K. L. Mukhopadhyaya, 1961, pp. 100-102.

[22] Itihas Prakash Mandal: *Itihas Prakash* (Light On History), Kathmandu: the Mandal, 1955, p. 13.

Rautahat. Similarly, the rapid expansion of the new Kingdom up to the Tista River in the east after 1770 was due to the desire to control all access routes between India and Tibet in the sub-Himalayan hill areas,[22] as well as to occupy the agriculturally rich regions of Saptari, Mahottari and Morang. Subsequent events indicated the correctness of this policy. An English official pointed out in 1820 that without the Tarai "the Nepalese could never have risen to the greatness which they had attained."[24] The eastern Tarai supplied the major portion of the cash revenue of the new Kingdom. The growing expenditure for military equipment as well as for luxury goods imported from India for the use of the royal palace, and the expanding array of nobles benefiting from State largesses, were all supported by the lands and revenues of this region.

Consequences Of Political Unification

The hill regions to the Mahakali in the west, which were annexed during 1782-86, were less significant from the revenue viewpoint, but their contribution in the territorial expansion of the new Kingdom was equally important. Until 1782, the Shah rulers were short of manpower. Kathmandu Valley, the eastern hills and the eastern Tarai were inhabited mostly by Newars, Rais and Limbus, Tharus and other communities which at that time were not enlisted in the Gorkhali army for various reasons.[25] But the western hill regions, which were inhabited mainly by the martial Magar and Gurung communities, supplied large numbers of recruits for the expanding army required to fight on the western front. They even supplied some of the military commanders, who have made the Nepali army famous for its bravery. In addition, the conquest of the western hill regions increased the cultivated land resources of the Kingdom. These lands, particularly after 1806, were extensively utilized for expanding the army through land assignments.

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[23] Joshi and Rose, *op. cit.*, p. 15.

[24] James Baillie Fraser, *op. cit.*, p. 9.

[25] The main communities from which troops were recruited at that time were Khas, Magar, Gurung and Thakuri. Dibya Upadesh, *op. cit.*, p. 23; L. F. Stiller, *op. cit.*, p. 44. Also: Lagat Phant Records: *Order Regarding Recruitment Of Troops In Kaski*, Bhadra Sudi 4, 1849 (September 1792), (5/215). Unless stated otherwise, all unpublished documents cited in the presents tudy have been obtained from the Lagat Phant(Records Office) of the Department of Revenue in the Ministry of Finance of His Majesty's Government. The equivalent western calender month and year of all lunar calendar dates of these and other documents cited in this study have been indicated in parentheses. Accurate conversion of these dates requires more specialized knowledge than the author possesses. The method of conversion used cannot indicate the exact day on which a document was issued. However, such lack of accuracy hardly affects general studies of trends and developments, such as those attempted here. The figures within the second pair of parentheses refer to the volume and page number of the document in the personal collections of the author.

Another important gain from these regions, from the economic viewpoint, consisted of their mineral resources, specially copper. The copper mines of Parbat, Gulmi and Baglung ensured a steady supply of metal for the munitions industry and the mint.

Gorkha's conquest of Makwanpur in 1762 blocked the trade route between India and Tibet through Kathmandu Valley. Moreover, Prithvi Narayan Shah was able to control the passes of Kuti and Kerung which connected Kathmandu Valley with Tibet. The entrepot trade Kathmandu Valley has traditionally conducted between India and Tibet was thereby greatly affected. The economic blockade of Kathmandu Valley which Prithvi Narayan Shah succeeded in imposing after 1762 affected not only the merchant community but also the common people. Essential commodities became scarce and cottage industries closed down because of the non-availability of raw materials. There was therefore a general clamor for peace with Gorkha.[26]

The Gorkhali conquest was thus welcomed by the mercantile community of Kathmandu Valley, particularly the Newars. Prithvi Narayan Shah served their interests additionally by expelling Indian traders from this area. Within a few years after the conquest of Kathmandu Valley, we find Newar merchants trading even in the interior western hill regions, as physical and political obstructions in trade were eliminated as a result of political unification. Moreover, a centralized administration enabled Newar merchants and financiers to diversify their operations by taking up contracts for the collection of revenues of different categories,[27] the exploitation of mineral deposits,[28] and the minting of coins.[29] In addition, Newar traders were able to renew their traditional trading operations with Tibet.[30]

The conquest of Kathmandu Valley and the transfer of the capital of the Kingdom to this region involved a shift of political and economic power to a new aristocracy from the hill region. Members of this aristocracy settled in Kathmandu Valley after the conquests on a permanent basis. The old capital at Gorkha declined in importance.[31] The Gorkhali conquests supplanted principalities whose political authority was centered in their hill capitals. The ancestors of some of the displaced rulers had built up their authority in the hill regions and had gradually acquired territories in the Tarai by outright conquest or lease from the Muslim rulers of Oudh, Bengal and Delhi. In fact, Vijayapur (Morang) was the only State in which the displaced chieftains had exercised sovereign rights over Tarai territory independently of Muslim overlordship. In the hill regions, on the other hand, indigenous patterns of communal life and economy existed, subject to a strong penetration of Hindu social and political concepts and practices. The Gorkhali conquests thus brought under central control for the first time communities and territories ruled by disparate governments based upon different economic and administrative systems and social, cultural and political concepts: Hindu, Islamic, Newar, Buddhist and Kirati.

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[26] D. R. Regmi, *op. cit.*, pp. 60-62.

[27] Cf. *Ijara Grant To Shyam Sundar Newar For Collection Of Miscellaneous Revenues*, Bhadra Badi 1, 1862 (August 1805). (6/308). The contract related to the collection of duties on cotton and other commodities all over the country.

[28] Cf. *Ijara Grant To Janaki Ram Newar For Procurement Of Metals And Collection Of Revenues In Chepe-Bheri Region*, Shrawan Sudi 11, 1851 (July 1794). (5/283).

[29] Cf. *Ijara Grant To Janaki Ram Newar For Operation Of Copper Mint At Beni*, Shrawan Sudi 1, 1862 (July 1805). (6/210).

[30] Cf. *Confirmation Of Privileges Of Newar Traders Of Patan Engaged In Trade With Tibet*, Jestha Sudi 13, 1848 (May 1792). (5/44).

Lack of National Integration

The political unification of the country did not lead to the emergence of a nation because of a complex of political, administrative, social and economic factors. In the western and far-eastern hill areas, Prithvi Narayan Shah generally followed the policy of subjugating principalities without actually annexing their territories. Jajarkot was the first principality to accept the status of a vassal under the Gorkhalis in this manner. In a letter to the Raja of Jajarkot in January 1769 Prithvi Naryan Shah wrote,[32]

> We confirm your ancestral authority within your territory, including your authority to award capital punishment, upgrade or degrade caste, collect levies to finance the sacred thread investiture ceremonies and weddings of royal princes and princesses and fees for the expiation of caste offenses. We also confirm your authority to grant or confiscate Birta lands and to collect judicial fines, escheats and fees for stamping weights and measures. You shall pay only Rs. 701 whenever a new King ascends our throne. When a new King ascends your throne, you shall have authority to collect customary payments from your people.

This policy was continued by the successors of Prithvi Narayan Shah when the western and far-western hill areas were subjugated during the period from 1786 to 1789, although circumstances sometimes compelled the Gorkhali rulers to annex territories

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[31] This is proved by the attempts made subsequently to revive Gorkha town. Cf. *Royal Order To Krishnaka[illegible] Pandit*, Baisakh Badi 30, 1867 (April 1810). (39/162). These attempts do not appear to have met with success, however.

[32] Yogi Naraharinath (ed.): *Itihas Prakashma Sandhipatra Sangraha* (A Collection Of Treaties In Light On History). Dang: the editor, 2022 (1966), p. 4.

directly. For example, Kaski, which had been given vassal status, was later annexed when the Raja rebelled.[33] As a general rule, the territories of defeated Rajas were thus annexed only when they resisted the Gorkhali invaders to the last or rebelled after once accepting their suzerainty. On the other hand, some of the displaced Rajas were later restored as vassals when this seemed expedient to the Gorkhalis. The Raja of Bajura, for instance, was granted such status in 1791 in appreciation of the assistance rendered by him during Gorkha's wars with Achham, Doti and Jumla.[34]

Similarly, in the Pallokirat areas (covering the present districts of Dhankuta, Panchthar, Ilam, Terhathum, Taplejung and Sankhuwa-Sabha), Prithvi Narayan Shah granted internal autonomy to the Limbu community. According to a royal order issued in 1774:[35]

> Although we have conquered your country by dint of our valor, we have afforded you and your kinsmen protection. We hereby pardon all of your crimes, and confirm all the customs and traditions, rights and privileges of your country.

Moreover, for a long period the attention of the new government was concentrated on expanding its territories and retaining its hold over those that had already been subjugated or annexed. Their administrative consolidation did not attract much attention. As a result, administrative divisions were made according to the boundaries of the displaced principalities, thus preserving the basis for old loyalties and centrifugal tendencies. From the social viewpoint, although Prithvi Narayan Shah described the new Kingdom as a garden where people of all communities might roam,[36] communal and geographical divisions remained unaffected because of the difficulties of transport and communications, and, more importantly, because the entire country was not governed by a single law. Separate enactments were made for each district and each community, so that national cohesion was retarded. The ethnic composition of the ruling class and nobility of Gorkha should also be given due importance in this context. They belonged to the same community as the ruling classes and nobles of the western hill region—Chhetri, Thakuri and Brahman. It was therefore possible for members of these communities from the the western hill regions to identify their interests and aspirations with those of the new political authority in a manner which was beyond the capacity of the Limbus of the eastern hills or the Rajputs and Tharus of the Tarai. Bhakti Thapa, who was killed while fighting in the Gorkhali army against the English in 1815, had originally been a commander in the army of the Raja of Lamjung and had been taken prisoner by Gorkha in 1782.[37] There is no evidence that any Limbu or Rajput fought in the ranks of the Gorkhali army in this way. But it was in the economic field that lack of national integration was most evident. Transit duties on rivers and highways continued to be collected as before, and the idea of the country forming a single customs territory developed only very slowly. Roads were no doubt constructed, and ferry services established in different parts of the country. However, these transport facilities only served military needs; there is little evidence that they helped to promote trade and commerce. The energies of the government were concentrated primarily on the collection of revenues to finance its growing military and administrative expenditure. Concern for the well-being of the people seldom found a reflection through the disbursement of public funds.

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[33] *Birta Confiscation Regulations For Areas West Of Chepe-Marsyangdi*, Poush Sudi 5, 1855 (December 1798). (1A/231). These regulations show that Bhirkot, Rising, Musikot, Doti and other principalities in this region had been reduced to feudatory status without being actually annexed.

[34] *Confirmation Of Bajura As Feudatory State*, Shrawan Sudi 15, 1848 (August 1792). (19/452).

[35] Mahesh C. Regmi, *Land Tenure And Taxation In Nepal*, Berkeley: University of California Press, 1965, Vol. III, p. 88.

[36] Dibya Upadesh, *op. cit.*, p. 20; Stiller, *op. cit.*, p. 44.

Notwithstanding the political unification of Nepal during the last quarter of the eighteenth century, therefore, the regions comprising the present Kingdom of Nepal remained as distinct social, political and economic units as before. It would of course be too much to expect the emergence of a sense of belonging to one nation among the different caste, communal and regional groups as a direct and immediate consequence of political unification. But pre-occupation with territorial expansion rather than with the consolidation of areas already brought under the new regime delayed the process of national integration. Political unification thus only created the basic territorial and political framework which has been utilized in recent years to implement social, economic and administrative policies aimed at national integration.

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[37] Mahesh Raj Pant, "Bir Bhakti Thapa" (The Brave Bhakti Thapa), *Purnima*, 10, Shrawan 2023 (July 1966), p. 37.

CHAPTER II

THE ECONOMIC BACKGROUND

We shall now make an attempt to depict economic conditions in different parts of Nepal during approximately the mid-eighteenth century just prior to unification. It is difficult to relate this study to a definite point of time in the history of this region, however, not only because of the paucity of materials describing conditions in all geographical areas at the same point of time, but also because different principalities came under Gorkhali occupation at different times. Kathmandu Valley was thus subjugated in 1768-69, while the western Tarai districts of Kapilavastu and Rupandehi were occupied nearly two decades later. Our description of economic conditions in these two regions cannot therefore be contemporaneous. Occasionally, the sources we have used belong to the period subsequent to political unification. However, this does not necessarily detract anything from either the consistency or the significance of our study. The reason is that the latter part of the eighteenth century does not appear to have been characterized by rapid or far-reaching economic change in any region comprising the territories of what is now the Kingdom of Nepal. Moreover, it is to these regions that our discussion will primarily concern itself. References to such areas as Kumaun and Garhwal in the west and those between the Mechi and Tista Rivers in the east, including Darjeeling, will be made only insofar as they help to illustrate different aspects of general policies, measures and problems of the Government of Nepal during the period after political unification to the establishment of the Rana regime in 1846.

Economic Resources and Activities

Nepal was then, as now, a predominantly agricultural country. Agricultural lands were therefore the most important national resource. The abundance of such lands, both cultivated and cultivable, made the Tarai the most valuable among the territorial acquisitions of the Gorkhali government. The main agricultural crops grown in this region were paddy, oilseeds, cotton, jute, tobacco[1] and sugarcane. The production of these crops appears to have been large enough not only to meet local needs but also to contribute to the export trade. The eastern Tarai[2], in particular, exported considerable quantities of rice to Bihar, Bengal and elsewhere in India.[3] In fact, foodgrains constituted a considerable portion of Nepal's export trade.[4] In contrast, the quantity of foodgrains supplied from the Tarai to meet the needs of Kathmandu Valley and the hill regions does not appear to have been large, mainly because of transport difficulties and the imposition of transit duties.[5]

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[1] In India, the cultivation of tobacco is said to have become common during the reign of Emperor Jahangir (1605-1627). By the mid-seventeenth century, it was being cultivated also in Bihar, (Irfan Habib, *The Agrarian System of Mughal India*, Bombay: Asia Publishing House, 1963, pp. 45-46). Its cultivation in the eastern Tarai region of Nepal, which also adjoins Bihar, probably started around the same time.

Notwithstanding the importance of the Tarai region from the viewpo. of agriculture, considerable areas of land appear to have been waste or under forest. William Kirkpatrick, an official of the English East India Company who visited Nepal in 1793, reported the existence of a "great" forest, eight miles and a half wide, which skirts the Nepaul territories throughout their whole extent. He adds,[6]

> It is not, of course, equally close or deep in every place; some parts having been more or less cleared away, especially those which are situated most favorably for the commerce of timber, or in the vicinity of flourishing towns. To the eastward some considerable tracts are reported to be quite clear.

Another English official, Francis Buchanan, reported from Purnea district in India adjoining Morang in 1809-10 that wild animals harboured in the wastes of Morang caused considerable damage to crops on the Indian side.[7] Along the Nepal-India frontier in that area, he saw a chain of woods, about a mile wide.[8] The chiefs of the principalities who controlled territory in the Tarai before the Gorkhali conquests made little efforts to encourage cultivation, but encouraged extensive woods and contented themselves for the most part with the produce of the forest in timber, elephants and pasture, because they were afraid of their neighbors.[9]

Nepal's extensive forest resources encouraged the export of timber and other forest products to India in large quantities.[10]

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[2] *Order To Ijeradar Shakti Ballabh Padhya To Divert Foodgrain Supplies To Bhimphedi*, Marga Badi, 1862 (November 1805), (19/393); Francis Buchanan, *An Account Of The District Of Purnea In* 1809-19, Patna: Bihar and Orissa Research Society, 1928, p. 576.

[3] Buchanan, *op. cit.*, p. 556.

[4] *Ibid*, p. 574.

[5] *Abolition Of Jagat Duties On Food Supplies From Tarai*, Poush Sudi, 1853 (December 1795). (9/28).

[6] Colonel Kirkpatrick, *An Account Of The Kingdom Of Nepaul*, London: William Miller, 1811, p. 16.

[7] Buchanan, *op. cit.*, p. 305.

[8] *Ibid*, p. 79.

[9] Hamilton, *op. cit.*, p. 64

[10] Buchanan, *op. cit.*, pp. 562-565.

There appears to have been a thriving industry based on the processing of timber and other forest products, including the manufacture of plows, canoes[11] and catechu. The collection and export of wax, honey, musk and herbs and drugs of different varieties,[12] birds[13] and elephants[14] and the production of saltpeter[15] provided employment to a large number of people as well as revenue to the government. Moreover, the pasturage facilities available in the forests of the Tarai attracted graziers and dairymen from India in large numbers.[16] Buchanan writes that the pasturage resources of Purnea district in Bihar, India,

> ...would be totally inadequate for the immense stock that is kept, were it not for the wilds of Morang, belonging to Gorkha. The woods there, at the foot of the mountains, always retain some degree of freshness, and the rains of spring are there usually early and copious, which bring forward a very strong vegetation, while almost everything here, even to the bamboo, is perfectly withered. [17]

Accordingly, during the dry season, by far the greater part (of the cattle) is sent to Morang. [18]

Conditions appear to have been more or less similar in the western Tarai region, although the available information is relatively meagre. Kapilavastu and Rupandehi districts in this region were said to be as nearly well cultivated as Bihar or Banaras . They were thus in a high state of cultivation and possessed numerous ryots.[19]

In the hill regions, paddy[20] was the main crop in low-lying areas, followed by sugarcane, while lands at higher altitudes yielded maize,[21] millet and other dry crops. Cotton appears to

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[11] *Ibid*, p. 570.

[12] *Ibid*, pp. 558-559.

[13] Hamilton, *op. cit.*, p. 68.

[14] *Ibid*, p. 68.

[15] *Order Regarding Supply Of Saltpeter From Tarai*, Poush Badi 11, 1844 (December 1787). (5/694).

[16] Kirkpatrick, *op. cit.*, p. 18.

[17] Buchanan, *op. cit.*, pp. 415-16.

[18] *Loc. cit.*

[19] Official East India Company correspondence cited in D. R. Regmi, *Modern Nepal*, *op. cit.*, p. 114.

[20] Kirkpatrick, *op. cit.*, p. 128.

[21] Maize, or Indian corn, was introduced in India by the Portuguese. (W. H. Moreland, *India At The Death Of Akbar: An Economic Study*. Delhi: Atma Ram and Sons, 1962. Appendix B, P. 283). "The spread and acclimatisation of this important crop is mainly a 19th century phenomenon and it was probably unknown in India in the 17th century." (Irfan Habib, *op. cit.*, p. 38). In Nepal, cultivation of maize had become so common around

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have been the most important cash crop grown in this region.[22] There was a considerable influx of cotton, both raw and ginned, and of cotton yarns, from the adjoining hill areas into Kathmandu Valley.[23] This made it possible for the cloth required by the lower and middle classes to be met wholly through indigenous production.[24] Sugarcane was processed into brown sugar, which was "much more refined...than that which is usually met with in Bengal."[25] The manufacture of paper was another important field of manufacturing activity in the hill regions. Buntang village in Nuwakot manufactured paper of particularly fine quality.[26]

Kathmandu Valley was probably the most prosperous area in the hill region from the viewpoint of agriculture. One possible reason for this prosperity was that agriculture was more intensive in this region than in the hill districts. This is clear from the great attention paid to irrigation channels. Elaborate arrangements existed for the maintenance and repair of such irrigation channels, and rights to utilize irrigation facilities were carefully regulated.[27] In contrast, irrigation facilities did not play an equally important role in agriculture in Gorkha and other areas in the hill region. This is shown by the directive of King Ram Shah of Gorkha (1606—36) that complaints regarding the use of water for irrigation should not be haard.[28]

Land in the hill regions was valuable not only from the viewpoint of agricultural production but also because it yielded minerals, primarily copper, iron and lead. Gold, cinnabar and other minerals were also worked to some extent. Baglung and

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the last decade of the eighteenth century that the area of dry lands was determined with reference to the quantity of maize seeds that would be required for its sowing. Cf. *Land Grant To Paramanand Bhatta And Others On Kul Tenure.* Magh Sudi 6, 1846 (January 1790). (3/438). The crop was thus probably introduced in the hill regions of Nepal not later than the early eighteenth century and must have made a major impact on the economy of these regions.

[22] Hamilton, *op. cit.*, p. 252.

[23] *Ijara Grant For Collection Of Kapas-Bhansar Duties*, Jestha Badi 2, 1849 (May 1792). (5/654).

[24] Hamilton, *op. cit.*, p. 232.

[25] Kirkpatrick, *op. cit.*, p. 129.

[26] *Order To Inhabitants Of Panchsaya-Khola (Nuwakot) and Other Areas Regarding Procurement Of Raw Materials For Manufacture Of Paper*, Jestha Badi 13, 1854 (May 1797). (25/367).

[27] Bhola Nath Paudel, "Bhaktapur Ko Rajkulo" ("The State-Owned Irrigation Channel Of Bhaktapur"), *Purnima*, 4, Magh 2021 (January 1965), pp. 46-48.

[28] *Legal Code Enacted During The Reign Of King Surendra Bikram Shah Dev*, *op. cit.*, p. 696.

other areas in the western hill region were famous for their copper, large quantities of which were exported to India. Kirkpatrick writes: "The iron of Nepaul is not, perhaps, surpassed b that of any country." He also reports that Nepali copper fetched a higher price than European copper in the markets of Calcutta, although this very factor was displacing Nepal as a source of supply for this metal.[29] Ore was extracted and processed on a cottage industry basis. The general practice was to make grants of mining lands to individuals against payment of rents in the form of metal. According to Hamilton, "the copper mines seem to be quite superficial, and the ore is dug from trenches entirely open above, so that the workmen cannot act in the rainy season."[30] Iron ore too was extracted from near the surface.[31] The majority of the people in the hill regions were thus peasants or mineworkers, while a few were also engaged in such primary occupations as hunting, fishing and the collection of wax, honey, herbs and drugs.

Agriculture does not appear to have been an important economic activity in the northern Himalayan region. This was due mainly to adverse climatic and terrain factors. The agricultural crops grown in these areas were restricted to wheat and different varieties of millets.[32] The cereal requirements of th inhabitants of these areas were supplemented with foodgrains grown at lower altitudes, which were exchanged for salt and other commodities procured from Tibetan traders. In addition, the Himalayan region contained extensive pastures for sheep and yak husbandry and was therefore also noted for its wool and dairy products. The Gurung and Limbu communities "kept numerous flock of sheep in the lower mountains and valleys in winter and in the alpine regions in summer" and wove wool into cloth.[33] However, these woollen manufactures were reported to have been "inconsiderable in quantity" and "insignificant in quality"[34]

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[29] Kirkpatrick, *op. cit.*, p. 176.

[30] Hamilton, *op. cit.*, pp. 76-77.

[31] *Ibid*, p. 78.

[32] Potato, which is an important crop in some of these areas at present, was probably unknown in Nepal during the early eighteenth century. Joseph D. Hooker, who visited the eastern Himalayan region of Nepal in 1848, found that potatoes had been only recently introduced there. (Joseph D. Hooker, *Himalayan Journals; Notes of a Naturalist in Bengal, the Sikkim and Nepal Himalayas, the Khasia Mountains*, etc. London: Ward, Lock & Co., 1905, p. 16). Kirkpatrick, who visited Nepal in 1793, mentions that potato seeds were imported from Patna every year for sowing in Kathmandu Valley. (Colonel Kirkpatrick, *An Account Of The Kingdom Of Nepaul*, London, William Miller, 1811, p. 180). For an account of the impact the introduction of the potato had on the economy of the Sherpa community in Khumbu, Okhaldhunga district, see: Christoph Von Furer-Haimendorf, *The Sherpas of Nepal: Buddhist Highlanders*, Calcutta and Delhi: Oxford Book Co., 1964, pp. 8-11).

[33] Hamilton, *op. cit.*, p. 75.

Trade and Commerce

The foregoing account highlights the intimate economic intercourse that prevailed between the Tarai regions of Nepal and the adjoining areas of northern India. Because of its favorable location and terrain, the Tarai region supplied agricultural and other primary produce not only to areas across the border but even to such distant towns as Patna and Murshidabad.[35] It thus had the most developed market economy in Nepal, containing several markets where local commodities as well as those procured from the hill areas were exchanged for commodities obtained from India. Trails of ancient north-south highways from Jumla to Surkhet through Dullu and references to horsemen and horse-chariots in contemporary inscriptions[36] indicate that trade between Tibet and the southern plains had once flourished through Nepal's Tarai region. Butaul, a part of the Kingdom of Palpa, was an important trade centre where gold ore, brass, iron, copper, borax, bees-wax and other products of the northern areas were exchanged for different varieties of cotton goods by merchants from India, Bhutan and Tibet.[37] These market areas yielded considerable revenue in the form of transit and market duties.

In contradistinction, trade in the hill region was generally related to the needs of subsistence and was seldom an independent means of livelihood. Where it was undertaken with the motive of making profits, it appears to have been monopolized for the most part by Indians or by Newars from Kathmandu Valley. Indeed, King Ram Shah had encouraged traders of these categories to open commercial establishments in Gorkha. The development of trade in the hill region was retarded by the scarcity of marketable produce, for a large portion of the agricultural production was appropriated in the form of rent to meet the consumption requirements of the upper classes in the society.

In the northern Himalayan region, on the other hand, trade rather than agriculture, was the primary economic activity. Moreover, as these areas included the few Himalayan passes that made communications between Nepal and Tibet possible, a number of important trade centers developed there. Traders from Tibet visited these trade centres with salt, sheep, wool and other commodities and stayed there four or five months during the

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[34] Kirkpatrick, *op. cit.*, p. 134

[35] Buchanan, *op. cit.*, p. 572.

[36] *Itihas Prakash, op. cit.*, Vol. 2, Book 1. p. 82.

[37] Official East India Company correspondence cited in: D R. Regmi: *Modern Nepal, op. cit.*, pp. 114-115.

winter.[38] In fact, trade was conducted only during this season; in summer people returned to their farmsteads to till their fields and tend their herds of yaks and sheep. Buddhist monasteries appeared to have played an important part in the barter trade with Tibet. They supplied rice, ghee, paper, iron and other commodities to Tibet in exchange for salt and wool.[39] Nor was this commercial activity restricted towards the north. In 1819, an English official saw people "coming to the markets in the Gorakhpur district, loaded with goods even from the distant hills of Malebum"[40] and there is no reason to assume that this practice started during the Gorkhali period.

The Use Of Money

The general impression is that the hill region, at the time of the Gorkhali conquests, had not outgrown a primitive barter system. However, available evidence indicates that this view is untenable. It is not suggested that the hill region had attained a high level of monetization, but money had already been injected into their economies to the extent of being used in limited amounts both as a medium of exchange and a measure of value. It may be pertinent to cite here a document containing detailed particulars of the expenses incurred in the construction of a royal palace in Jumla in 1751, nearly 38 years before the annexation of that kingdom by Gorkha. A sum of Rs 9,000 was raised for this purpose through a special levy, of which Rs 6,000 was collected in the hill region and the balance in the Himalayan region. The laborers, stone-workers, carpenters, and architects employed in the construction project received wages in cash in additiontocloth in some cases. The Brahman priests who performed religious ceremonies for sanctifying the palace received ritual gifts in cash. The document also refers to amounts spent for the purchase of cows, cloth and other materials required for these ceremonies. The total amount spent on the construction of the palace was Rs 7,500.[41]

The monetization of the Jumla economy during the middle of the eighteenth century was by no means a phenomenon limited to the Karnali region. A similar development seems to have occurred elsewhere also in the hill region, although possibly in varying degrees. We may refer in this connection to the ubiquitous practice of the State's selling or mortgaging lands to individuals against cash payments. The beneficiaries of such transactions almost invariably appear to have been

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[38] *Rates Of Jagat Duties For Khamba Traders Visiting Thak*, Falgun Sudi 9, 1889 (March 1832). (27/222).

[39] *Exemption From Payment Of Jagat Duties Granted On Merchandise Of Gumbas In Mustang*, Shrawan Badi 1, 1859 (July 1802). (24/569).

[40] Hamilton, *op. cit.*, p. 17.

[41] *Itihas Prakash, op. cit.*, Vol. 2, Book 1, pp. 149-151.

Brahmans, members of the nobility and traders. It is easy to understand how traders came to be in possession of cash. But the possession of cash by Brahmans and members of the nobility bears testimony not only to the availability of relatively large amounts of cash in the community, but also to their redistribution in such a manner as to benefit classes who generally had no direct participation in economic activities. Available evidence shows that even members of the royal family paid cash to take up a mortagage on State lands. This can only be interpreted as testifying to fiscal and contractual obligations in cash due to them from the common people. In fact, there is evidence to prove that in many parts of the hill regions rents and taxes were paid in cash. Moreover, transactions in land among the people themselves prove that the use of money as a medium of exchange was fairly widespread. It is also noteworthy that moneylending had developed sufficiently to necessitate the enactment of legislation seeking to control rates of interest. King Ram Shah thus prescribed the rate on cash loans at 10% every year, subject to a maximum of twice the amount of the principal if payments had accumulated.[42] The use of money had thus become fairly widespread to create markets in land as well as in loan.

It seems surprising, in these circumstances, that no evidence has so far been discovered to prove that any principality in the hill region minted coins. According to some Nepali authorities, among the territories now comprising the Kingdom of Nepal, only Kathmandu, Patan and Bhadgaun had independent coinage systems. The monetary requirements of the hill region are said to have been met with coins minted in these three kingdoms, and particularly Patan.[43] This assumes the existence of inter-regional trade to an extent which has yet to be supported by evidence. One therefore wonders whether the entire Rs 9,000 collected in Jumla for the construction of the royal palace, in the document cited above, actually came from Kathmandu Valley. It is, of course, possible that the money may have been partly of Indian origin. But even then it is surprising that the hill principalities, particularly those in the west, did not use their large copper resources to mint their own coins.[44]

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[42] *Legal Code Enacted During The Reign Of King Surendra Bikram Shah Dev*, *op. cit.*, pp. 695-696.

[43] D. R. Regmi, *Medieval Nepal*, Calcutta: Firma L. K. Mukhopadhyaya, 1966, Vol. II, p. 532.

[44] Documentary evidence is available to indicate that some chieftains in the hill regions did mint copper coins. According to Padre Tranquillo, a Christian missionary who visited Tanahu in 1756: "(In Tanahu) coins of Nepal (i.e. Kathmandu Valley) circulate more than those of India. The King has only copper money. No gold or silver money are issued by him." [Luciano Petech (ed.). *I Missionari Italianinel Tibet e nel Nepal* (7 vols.). Rome: La Liberia Dello Stato, 1952, Vol. 2, Part 2, pp. 198-199. Cited in: D. R. Regmi, *Modern Nepal*, p. 33]. However, no such coin has been discovered so far.

Handicrafts In Kathmandu Valley

In societies where the caste system is observed, the nature and variety of occupational castes is a good indicator of the general state of economic resources and activity. In the hill region, occupational castes were generally limited to tailors, leather-workers, black-smiths, goldsmiths, etc.[45] The list is larger in the Tarai districts, with dairymen, gardeners, washermen, oilmen, carpenters, blacksmiths, traders and shop-keepers, etc.[46] But Kathmandu Valley presents a completely different picture. The large number of occupational castes among the Newar community bears testimony to the developed state of agriculture, manufacturing and commerce in this area. There were separate castes of land surveyors, oilmen, dyers of cloth, incense-makers, painters, potters, goldsmiths, stoneworkers, iron-mongers, bronze-workers, woodcarvers, carpenters, ivory-carvers, masons, confectioners, bricklayers, vermilion manufacturers, umbrella-makers, copper workers, cultivators of ginger and radish and florists,[47] hardly more than one or two of which are found in the hill region. Indeed, Kathmandu Valley was well-known at that time for its handicrafts. Kirkpatrick writes:[48]

> "The Newars, who...are almost the sole artisans, appear to be acquainted with and exercise most of the handicraft occupations of their Bihar neighbors. Of cloths, however, they fabricate only a very coarse kind, partly for home use and partly for exportation to the Tibets; the cotton employed in which, is the produce either of Noakote or of the Muddaise, by which last name they commonly distinguish the company's territories. They work very well in iron, copper, brass, etc. and are particularly ingenious in carpentry......They export to the south some of their brazen utensils; and their cutlery (as swords, daggers, &c.) is by no means contemptible. They have latterly manufactured some fire-arms, but not successfully. They gild exceedingly well, and among the bells they construct for the use of their temples and other religious purposes, some are of a considerable size."

Their reputation had reached Tibet and China also, and Christian missionaries have reported the existence of large colonies of Newar craftsmen and artisans in Lhasa.[49]

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[45] Dor Bahadur Bista, *People Of Nepal*, Kathmandu: Department of Publicity, Ministry of Information and Broadcasting, His Majesty's Government, 1967, p. 1.

[46] *Ibid*, p. 102, Buchanan, *op. cit.*, pp. 219-225.

[47] D. R. Regmi, *Medieval Nepal*, *op. cit.*, Vol. II, pp. 648-672.

[48] Kirkpatrick, *op. cit.*, pp. 209-10.

[49] Sylvain Levi, *Le Népal: Étude Historique D'un Royaume Hindou* (Annales du Musée Guimet; Bibliothèque D'Études. Tomes XVII, XVIII, XIX) (3 vols.), Paris: Ernest Leroux, 1905-1908. Typewritten English translation, Vol. I, p. 392; D. R. Regmi, *Medieval Nepal*, *op. cit.*, Vol. II, p. 529.

Entrepot Trade Through Kathmandu Valley

The commercial importance of Kathmandu Valley was due mainly to its location on the main trade route between India and Tibet.[50] Commercial relations between Kathmandu Valley and Tibet had been reorganized during the reign of King Pratap Malla (1641-1674) of Kathmandu. A treaty signed between Kathmandu and Tibet at that time stipulated that Tibet should use no other route in its trade with India.[51] A colony of Newar merchants had then settled in Tibet, and soon Bhadgaun and Patan too began to participate in such trade.[52] Simultaneously with these trade facilities, Kathmandu obtained the right to mint coins for circulation in Tibet. Gorkha too began to participate in this enterprise after its conquest of Nuwakot in 1744. In that year, Prithvi Narayan Shah concluded an agreement with the Tibetan authorities which entitled him to supply coins to Tibet in exchange for gold at fixed prices.[53] But the Newar monopoly in the Tibetan trade did not last long, for soon Indian merchants entered the field.[54] These merchants had agents or establishments at different commercial centers in India, Nepal and Tibet. They generally specialized in articles of great value and small bulk.[55] On the other hand, there is no evidence that Newar merchants had been able to establish direct contacts with commercial houses in India for the supply of goods. Their role in the Nepal-Tibet trade apparently was confined to the export of commodities brought by Indian traders to Kathmandu as well as retail trade in Tibet itself.

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[50] The main route leading from Kathmandu Valley to the Tarai and then to India lay through Hitaura. It had been opened towards the end of the 14th century when the Sen kings had extended their sway over Makwanpur; [Baburam Acharya, "Ashok Ra Nepal" ("Ashok and Nepal"). *Nepal Samskritik Parishad Patrika*, 2-2, Baisakh 2010 (April 1953), pp. 2-3]. Goods imported from India were transported to Kathmandu Valley either through porters or by bullocks through Hitaura and Chisapani. (Cf. *Ijara Grant To Bhajudhan For Collection Of Customs Duties*, Marga Badi 1, 1862 (November 1805) (19/386); *Royal Order To Jayenarsingh Regarding Collection Of Customs Duties* Poush Sudi 5, 1849 (January 1793). (25/277). However, the Hitaura route was "utterly impassable during the periodical rains." (Kirkpatrick, *op. cit.*, p. 51).

[51] Chittaranjan Nepali, *Shri 5 Ran Bahadur Shah* (King Ran Bahadur Shah), Kathmandu: Mary Rajbhandari, 1963, p. 85.

[52] Baburam Acharya, *Shri 5 Badamaharajadhiraj Prithvi Narayan Shah* (The Great King Prithvi Narayan Shah), Kathmandu: His Majesty's Press Secretariat, Royal Palace, 2024 (1967), Part II, p. 205.

[53] "Letter Sent To King Prithvi Narayan Shah By Nepali Delegation Visiting Tibet", *Aitihasik Patra Sangraha*, *op. cit.*, Part II, pp. 78-86.

[54] Baburam Acharya, *op. cit.*, pp. 204-5.

[55] Clements R. Markham, *Narratives Of The Mission Of George Bogle To Tibet And Of The Journey Of Thomas Manning To Tibet*, London, Trubner & Co. 1879. (2nd Edition), pp. 124-127.

A study of the traditional items of trade between Nepal and Tibet at this time would reveal that local products did not contribute much to the total volume of trade. Locally processed or manufactured items were limited mostly to metal-ware, ivory goods, wooden vessels and coarse varieties of cloth. Such exports as foodgrains, garlic and red pepper appear to have been handled on barter basis against Tibetan salt, goats and sheep and wool. On the other hand, most of the goods imported from Tibet were meant for re-export to India. These included borax,[56] ponies, yaks' tails and musk.[57]

The entrepot trade with Tibet, no doubt, contributed much to the affluence of the political and economic elite of Kathmandu Valley. According to one source:[58]

> "The affluence of Kathmandu has traditionally been associated with its position in a well-developed trans-Himalayan trade system. From the sixteenth to the twentieth century, a large share of the commerce between northern India and central Tibet was channeled through Kathmandu Valley. Lamaistic monastic institutions in Tibet, Newari commercial families in Kathmandu Valley, and Hindu and Muslim trading communities in north-central India cooperated in the operation of a complex, highly profitable trade structure."

But there is no evidence that this affluence percolated to the economy as a whole, or that it was used for productive purposes. It is true that a sizeable number of weavers, metal workers and other artisans were engaged in the production of commodities meant for export to Tibet. To this extent, at least, Nepal-Tibet trade stimulated economic activity in this region. However, these artisans generally do not appear to have been independent producers. A Christian missionary reported from Patan in 1740 that the bulk of foreign trade was controlled by members of the royal family and the nobility.[59] This possibly means that they financed artisans who produced export goods, and the artisans received nothing more than their wages. Moreover, a large portion of the trade profits went to foreigners and thus did not contribute to economic activity inside the country. Notwithstanding Kathmandu Valley's pre-eminence in commercial and manufacturing activities among the territories comprising the present Kingdom of Nepal, therefore, the majority of its inhabitants appear to have been dependent upon agriculture for their livelihood.[60]

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[56] Narendra Krishna Sinha, *The Economic History Of Bengal From Plassey To The Permanent Settlement*, Calcutta: Firma K. L. Mukhopadhyaya, 1961, Vol. 1, p. 123.

[57] Baburam Acharya, *op. cit.*, pp. 204-5.

[58] Joshi and Rose, *op. cit.*, p. 15.

[59] D. R. Regmi, *Medieval Nepal*, *op. cit.*, Vol. II, p. 511.

[60] *Ibid.*

Land Tenure And Taxation Systems

We have previously pointed out that the rental obligations of the peasantry retarded the flow of agricultural produce to the market. This highlights the importance of land tenure and taxation systems in the economic life of an agricultural country such as Nepal. The main forms of land tenure may be classified as *Raikar*, *Birta*, *Guthi*, *Sera* and *Kipat*.[61]

State ownership was the traditional form of land tenure followed in all parts of Nepal during this period. Under this system, which was known as *Raikar*, peasants cultivated the land in the capacity of tenants and made payments directly to the State. Frequently, the State granted *Raikar* lands to individuals, or to temples and monasteries, therby entitling the beneficiary to appropriate the payments made by the cultivator. Grants of these categories were known as *Birta* if the beneficiary was an individual, and *Guthi* if it was a temple or monastery. But *Guthi* tenure emerged also from endowments of private lands by individuals for religious and charitable purposes. In Kathmandu Valley and the hill districts, the State also followed the practice of selling or mortagaging *Raikar* lands to individuals, thereby creating different forms of *Birta* tenure.[62] The purchaser or mortgagee, in such cases, could cultivate the land himself, or else appropriate rents from the existing cultivator in the capacity of a landlord. *Raikar* lands which were appropriated by the Crown for meeting the foodgrain and other requirements of the royal palace household were called *Sera*.

The practice of making *Birta* and *Guthi* land grants appears to have been ubiquitous in all parts of Nepal during the eighteenth century. Indeed, a common religious, cultural and economic background contributed to a similarity of land tenure forms in the midst of political diversity. The *Guthi* land tenure system, in particular, is of considerable significance in any study of the social, cultural and religious life of the people during this period. *Guthi* land endowments were made not only by the State and by members of the royal family and the nobility, but also by the common people. Rents obtained from the lands thus endowed were utilized to maintain temples, monasteries, rest-houses and water-spouts, finance religious rituals and offerings and pay emoluments and other perquisites to priests, musicians, craftsmen and other functionaries. The system thus constituted the medium through which surplus agricultural production was channelled to satisfy religious propensities and give expression to artistic urges.

In several parts of both the eastern and western hill regions, a number of indigenous ethnic groups owned lands on a communal basis without any legal title under what was known as the *Kipat* system. The communal nature of *Kipat* tenure and its basis primarily on ethnic affinity would appear to indicate its origin in the occupation of particular areas in the past by members of particular ethnic groups. Such customary rights as these settlers acquired in the land on account of settlement and occupation were of necessity exclusive to the community, for primitive tribal organization was hardly conducive to inter-tribal cooperation in this enterprise. Nor did the need for such cooperation arise in view of the abundant supply of land. Land was therefore held on a customary and communal basis. The Kiratis of the eastern hill region are the most important *Kipat*-owning community in Nepal at present, although in the past lands appear to have been held under this tenurial form also by such other communities as the Danuwars, Sunuwars, Majhis, Tamangs, Sherpas, Kumhales and Lepchas in both the eastern and western hill regions. Individuals who cultivated lands in their capacity as members of *Kipat*-owning ethnic groups owed allegiance primarily to the community, not to the State. The State, in fact, had no authority to bestow *Kipat* lands as *Birta* or *Guthi*, or even to dispose of vacant *Kipat* holdings. *Kipat* owners on their part customarily did not formally alienate their lands to members of other ethnic groups, although economic and demographic factors often compelled them to invite outsiders as settlers.[63] During the sixteenth or seventeenth century, the eastern hill regions of Nepal came under the rule of Hindu royal dynasties.[64] This development seems to have created conditions under which the *Kipat* tenure system was molded into a pattern of property and administrative relations consistent with the principle of State ownership through royal charters confirming existing *Kipat* holdings.[65] *Sera* and *Kipat* appear to have covered a relatively small proportion of the total cultivated area, however, as most land was under the *Raikar*, *Birta* and *Guthi* forms of land tenure.

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[61] The *Jagir* system, which was widely utilized during the period subsequent to unification to provide emoluments to government employees and functionaries in the form of land assignments, does not appear to have existed in this form in the eighteenth century. The *Jagir* grants then made by chieftains of various principalities, for which documentary evidence is available, closely resembled *Birta* land grants as defined above. For a *Jagir* land grant of this category made by a king of the Sen dynasty in eastern Nepal in 1751, see Shankar Man Rajbanshi, *Puratattwa Patra Sangraha*, ("A Collection of Ancient Documents"), Kathmandu: Department of Archeology and Culture, 1962, Part II, p. 9.

[62] *Confirmation Of Bandha Lands Of Devanath Jogi in Nuwakot*, Marga Sudi 5, 1860 (December 1803). (19/145).

[63] Mahesh C. Regmi, *op. cit.*, Vol. III, pp. 96-97.

[64] During the reign of King Mukunda Sen (1518-1553) of Palpa, his son, Lohanga Sen, conquered Morang and the hill areas in the north. The territory was previously ruled by a King called Vijayanarayan. The name suggests that he belonged to a Hindu royal dynasty. See Stiller, *op. cit.*, pp. 10-11; D. R. Regmi, *Modern Nepal*, *op. cit.*, pp. 36-37.

The Nature Of Landholding Rights

Irrespective of the prevalence of these three land tenure forms in all parts of the country, however, the nature of landholding rights and of payments made by cultivators in consideration of the use of the land was by no means identical. They varied in different regions under the impact of complex political, geographical, historical and economic factors. For the purpose of this discussion, we shall divide the territories of the present kingdom broadly into the central and eastern hill regions including Kathmandu Valley, the Karnali region, and the Tarai. Since *Birta* and *Guthi* only represented the alienation of the State's ownership rights, we shall base our analysis chiefly on the *Raikar* system.

In the eastern and central hill region, property rights in the land, by which we mean rights to use the land, enjoy its products and sell or mortgage it, were limited to the State and to a few categories of *Birta* owners. Cultivators, irrespective of the form of tenure, enjoyed only occupancy rights, that is, the right to cultivate the land and appropriate a portion of the produce. Such rights could be inherited and subdivided. However, alienation in the form of sale or mortgage does not appear to have been permitted. In consideration of the right to cultivate the land, cultivators made payments to the State, which were generally in kind. No evidence is available to indicate the general level of rents which the State or beneficiaries of land grants collected from tenants in different areas during this period. During the post-unification period, such rents were generally based on the *Adhiya* system and thus amounted to half of the gross produce. Since it appears unlikely that the Gorkhali rulers introduced any significant change in such an important field of the people's life immediately after conquering an area, we can presume that the *Adhiya* system existed also during the period preceding unification. The grant of cultivated lands as *Birta* or *Guthi*, in these circumstances, did not have a significant impact on the economic condition of the cultivator, for he remained a tenant in either case.

Birta owners, as well as priests and other persons entrusted with the responsibility of supervising or performing religious and charitable functions financed through *Guthi* land endowments, seldom cultivated their lands themselves. The size of their holdings was often very large,[66] or the lands were situated in distant or widely separated areas, so that personal cultivation was not feasible. Moreover, high rates of rents and the facility of impressing compulsory and unpaid labor services made tenant cultivation of *Birta* and *Guthi* lands more profitable than personal cultivation. Finally, *Birta* and *Guthi* land grants were generally made in favor of Brahmans, members of the nobility, government officials and priests, members of religious sects and other persons belonging to non-agricultural classes who possessed neither the time nor the aptitude to cultivate their lands themselves.

For the cultivator, therefore, it was of little significance whether his landlord was an individual, a religious institution, or even the State itself. In each case, the surplus produce of the land, that is, whatever was left after meeting the essential costs of cultivation and providing him with a minimum subsistence, was taken away from him without any consideration. Peasants were unable to escape these obligations even by reclaiming new lands. There was of course no restriction on their right to reclaim waste lands. In fact, peasants were encouraged to extend the cultivated area through initial tax exemption and other facilities.[67] But eventually the lands reclaimed in this manner were taken up under *Birta* or *Raikar* tenure under which the cultivators became nothing more than tenants. This explains why, notwithstanding the "high" man-land ratio that must have prevailed during this period, people had no choice but to cultivate lands in the capacity of tenants.

Several land grants were cultivated personally by the owner. Holdings cultivated in this manner were free-hold *par excellence*. The cultivators had no obligations, rental or labor, due to the State, except possibly in times of national emergencies. Moreover, administrative laxity had resulted in individual reclamation of large areas of small plots.[68] Legal and administrative questions notwithstanding, it is clear that such occupation resulted in the creation of a large number of small farms on free-hold tenure.

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[65] Cf. *Confirmation Of Traditional Privileges Of Nun Rai And Others In Pallakirat*, Bhadra Badi 5, 1831 (August 1774). (37/341).

[66] A *Birta* grant made by King Jaya Prakash Malla of Kathmandu to a Brahman in 1764 amounted to 96 ropanis of paddy-fields. (Shankarman Rajbanshi, *op. cit.*, Part I, p. 28). It is inconceivable that this large area was cultivated personally by the Brahman beneficiary.

[67] Regulations promulgated by King Ram Shah of Gorkha thus prescribed that rents should be assessed on newly-reclaimed lands after 3 years' exemption. *Legal Code Enacted During The Reign Of King Surendra Bikram Shah Dev*, *op. cit.*, p. 699.

[68] In Majhkirat, for instance, an 1805 order noted that since "the former King of that area was weak," many persons had occupied lands as *Birta* or *Kipat*. *Instructions To Hemakarna Thapa Regarding Land Survey And Reclamation In Tumlingtar*, Baisakh Sudi 4, 1862 (April 1805). (20/224).

In the Karnali region, comprising the areas of Jumla, Humla, Dullu, Dailekh, Doti, Bajura, Bajhang and Achham, on the other hand, the rights of cultivators on the *Raikar* lands cultivated by them had already developed in a form which permitted transactions in land through payment of money. A royal order issued in 1822 thus mentions that lands in Dullu and Dailekh and been sold and purchased even before the Gorkhali conquests of these areas. Such transactions often assumed the form of non-redeemable possessory mortgages.[69] In Jumla,[70] Doti and Achham,[71] however, redemption of mortgages appears to have been traditionally permitted. Mortgages, whether redeemable or not, were thus adopted as a *modus vivendi* between the principle of State ownership inherent in the *Raikar* system and the exchange value the occupancy rights of cultivators had acquired as a result of the application of individual labor and capital to the land. It is not possible on the basis of the information at our disposal to determine why private rights in the land in the western hill regions mentioned above developed in form different from that in other parts of the hill regions and Kathmandu Valley. The fact that most of these areas had once formed part of the Malla Kingdom of Jumla and thus, unlike the other principalities of the hill regions, had been subject to a common polity may have had some bearing on this question. In any case, it is worth noting that *de facto* private property rights in the land such as those connoted by transactions mentioned above existed not only in Doti, Achham, Dullu, Dailekh and Jumla but possibly also in areas farther west, such as Garhwal.[72] Another outstanding feature of the landholding system in the districts of the Karnali region was that payments due to the State in consideration of the use of the land were generally made in cash.[73] There is no evidence that taxes were paid in kind under the *Adhiya* or any other similar system.

In the Tarai region too, landholding rights appear to have acquired the form of property rights to a greater extent than in the central and eastern hill regions. No direct evidence is available to prove that such rights were saleable, but presumably the low density of population and relative abundance of agricultural lands constituted factors which generally obviated the need to acquire lands through purchase. The State's share of the produce of the land appears to have been limited roughly to one-third of the gross produce as in Mughal India. This payment was commuted into cash per unit of area for different crops. Five standard crops were recognized for the purpose of tax assessment under this system, rice, mustard, cotton (or jute), tobacco and sugarcane; and thus no other crop paid anything.[74] Landholders in the Karnali region and the Tarai thus enjoyed rights in the land which were superior to the occupancy rights of cultivators of the central and eastern hill regions. Ordinary landholders in the Karnali and Tarai regions were described as *Chuni* ryots, that is, ryots who paid taxes to the government and had been accordingly listed as tax-payers in its records.[75] In contradistinction, the term used to denote ordinary peasants in the central and eastern hill regions was *Mohi*, or tenant-farmer. The status distinction is obvious enough. While the obligations of a *Chuni* ryot were limited to the payment of half of the produce as rent, in addition to a number of other payments and servitudes, he enjoyed a greater freedom of action than the *Mohi* in the central and eastern hill regions. The advantage did not lie only in the real value of payments due in terms of agricultural produce, for this naturally declined with every upward movement in prices. Of greater significance perhaps was the ability of the *Chuni* ryot to fulfil his obligations by raising money to pay taxes without personally working on the land. Available evidence indicates that this opportunity was amply utilized.

Economic Inequalities

In the central and eastern hill regions, the agrarian society that existed at the time of the Gorkhali conquests appears to have been more or less egalitarian in nature. The high level of in-kind taxation and the non-alienable character of occupancy rights insured that intermediary interests in the land between the State and the cultivator hardly emerged. At the same time, it must be noted that, notwithstanding the high man-land ratio, the extent of the land holding among different families inhabiting the same area was not necessarily equal. Even assuming that holdings were more or less of the same size when they were first established, subsequent subdivisions led to inequality because of the unequal number of descendants in different families. Moreover, a large family might be able to increase the size of its holding by reclaiming additional lands. When any family was unable to procure the necessary resources for such reclamation, it remained poor. To some extent, therefore, such inequalities might be attributed to differences in the size of the family and its physical capacity to work. These factors, of course, existed in the Karnali and Tarai regions also. But there such differences were accentuated by tenurial conditions. Lands in these regions could be held without reference to the needs of subsistence in the form of private property. Thus in Doti district, influential families controlled large areas of waste lands without paying taxes, while others complained that they did not have adequate lands.[76] In Morang district, where large areas of waste lands suitable for reclamation were available,[77] according to official records during the last years of the eighteenth century, as well as in other districts of the eastern Tarai, several families were actually landless,[78] that is to say, they possessed homesteads but no agricultural lands. Indeed, there is evidence that economic inequalities were more marked in the Tarai than in any other region. According to one account, in the districts of Bara, Parsa and Rautahat,[79]

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[69] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 57.

[70] *Royal Order To Sardar Dariyabar Singh Regarding Redemption Of Land Mortgage In Humla*, Jestha Sudi 8, 1896 (June 1839). (27/626).

[71] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 57.

[72] E. K. Pauw, *Report On The Tenth Settlement Of The Garhwal District*, Allahabad: North Western Provinces and Oudh Government Press, 1896, p. 33.

[73] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 34.

[74] Hamilton, *op. cit.*, pp. 153-54.

[75] *Order Regarding Land Tax Assessment Rates In Mahottari*, Kartik Sudi 9, 1866 (November 1809). (40/111); *Land Survey Regulations For Western Hill Regions Up To The Mahakali River*, Kartik Sudi 1, 1893 (October 1836). (50/601).

> "The peasantry are extremely nasty, and apparently indigent. Their huts are small, dirty, and very ill calculated to keep out the cold winds of the winter season, for a great many of them have no other walls but a few reeds supported by sticks in a perpendicular direction. Their clothing consists of some cotton rags, neither bleached nor dyed, and which seem never to be washed. They are a small, hard-favored people, and by no means fairer than the inhabitants of Bengal who are comparatively in much better circumstances."

These inequalities were further accentuated by the fact that some *Chuni* ryots possessed such extensive landholdings with jurisdiction over lands occupied by others, including often entire villages, that they were called *Zamindars*.[80] There were large

numbers of *Zamindars* in both the eastern and western Tarai districts.[81] They paid land taxes to the State, but actually had their lands cultivated by share-croppers.[82] Apparently, similar *Zamindars* existed in some parts of the Karnali region also. As a royal order issued in September 1794 to one Naichan Kanwar in Jumla stated :[83]

> "We hereby confirm the Zamindari of Barhabise granted to you by the former king of Jumla. Collect revenues there faithfully, hand over the proceeds to the local administrator at Chhinasim (the district headquarters) and have (the accounts) cleared off every year."

In the central and eastern hill regions, this authority was matched only by that of the headmen of the *Kipat*-owning Kirat commmunities. Nowhere do we find such authority grants in respect to *Raikar* lands in these regions.

Village Headmen And Other Functionaries

A study of the agrarian society that existed in different parts of the Kindgom of Nepal at the time of political unification thus shows that the actual cultivator, irrespective of the landholding system followed, occupied the lowest stratum in a multi-tiered hierarchy of landowners, officials and functionaries. In the Tarai, the local hierarchy was based on the system prevalent during Mughal or pre-Mughal times in India.[84] Revenue settlements were conducted and tax assessment records prepared by officials called *Munsiffs*.[85] The *Mauja*, which roughly corresponded to a village, was the basic unit of land administration. Several *Maujas* were grouped together to form a *Parganna*, which was under the jurisdiction of a functionary called *Chaudhari*. This functionary, who was usually appointed from among local *Zamindars*, collected the revenue.[86] He was assisted in the maintenance of land and revenue records by the *Kanugoye*.[87] At the village level, there were *Mokaddams*,[88] *Mandars*[89] and *Patuwaris*[90] to assist in the collection of revenue and promote land reclamation and settlement. A senoir ryot in the village, known as the *Jetharaiyat*, represented the peasantry in these operations. These functionaries, who were usually local persons, were appointed on the basis of ability to collect revenue and promote land reclamation and settlement.[91]

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[76] *Order Regarding Cultivation Of Agricultural Lands In Doti*, Ashadh Badi 4, 1872 (June 1815). (42/13).

[77] *Revenue Regulations For Morang District*, Shrawan Sudi 2, 1855 (July 1798). (24/668).

[78] *Collection Of Cadimabaral Levy In Morang District*, Falgun Sudi 13, 1851 (March 1795). (1A/192).

[79] Hamilton, *op. cit.*, p. 169.

[80] Irfan Habib, in his *Agrarian System of Mughal India*, writes, "The term Zamindar was probably coined in India as early as the 14th century, and is not found in the revenue literature of Persia proper. The synonym for Zamindar used most often than any other was Malik. In some documents, a Zamindar is called Malik." Irfan Habib, *op. cit.*, pp. 138-139. Francis Buchanan has expressed the view that the term Chaudhari was used as a synonym of Zamindar, at least in the eastern parts of Purnea district. Buchanan defines Adhiyars as peasants who possessed stock sufficient to keep a plow but had no land and therefore worked as share-croppers. Francis Buchanan, *An Account Of The District Of Purnea in* 1809-10, Patna: Bihar and Orissa Research Society, 1928, p. 443. Zamindari was a right which belonged to a rural class other than, and standing above, the peasantry. Zamindars, rights thus extended over land occupied by a number of persons. i.e. a village or part thereof.

[81] *Order Regarding Payment Of Loans By Jimidars In Saptari and Mohattari*, Chaitra Sudi 13, 1849 (April 1793), (25/312); *Order To Jimidars Of Morang To Reoccupy Their Holdings*, Jestha Sudi 5, 1854 (May 1797), (25/484); *Order To Jimidars Of Tarai Areas Of Doti To Reoccupy Their Holdings*, Magh Badi 11, 1857 (January 1801), (19/32); *Appointment Of Hem Chaudhari As Jimidar On Naunkar Lands*, Chatira Badi 1, 1838 (March 1781), (5/642).

[82] *Administrative Regulations For Morang District*, Baisakh Badi 1, 1853 (April 1796), Section 12. (19/102).

[83] *Confirmation Of Jimidari Holding Granted By King Of Jumla*, Bhadra Sudi 10, 1851 (September 1794). (5/748).

[84] Cf. I. H. Qureshi, "Islamic Political Theory, Administrative Organization, Law and Legal Institutions" In R. C. Majumdar (ed.), *The History and Culture Of The Indian People*, Vol. 6: *The Delhi Sultanate*. Bombay: Bharatiya Vidya Bhawan 1960, pp. 455-454.

[85] *Regulations For Munsiff In Morang*, Magh Badi 30, 1837 (January 1781), (5/587); *Regulations For Munsiff In Saptari and Mahottari*, Ashadh Sudi 15, 1838 (July 1781). (5/608).

[86] *Revenue Regulations For Saptari and Mohottari*, Marga Sudi 11, 1850 (November 1793), (5/261); *Reappointment Of Hem Chaudhari In Khalisa, Saptari* Magh Sudi 8, 1863 (February 1807), (5/128).

In Kathmandu Valley, the government was represented in the village by the *Dware*, who collected revenue with the assistance of four *Pradhans*, who "are the most substantial landowners of the village, and chiefly represent the community."[92] *Mohinaikes* demarcated land boundaries, identified cultivators for purposes of revenue collection and evicted those who did not pay their taxes[93]. In the hill districts, each village similarly functioned under headmen called *Thani*, *Mukhiya* or *Jimmawal*.[94] At the same time, the village community in these regions unmistakably bore the marks of an ancient tribal origin. Several communities, particularly those of a Mongoloid origin[95], functioned under their own headmen, called *Mijhars*, *Subbas* or *Rais*, who exercised judicial authority over the community, collected taxes, fees, fines, etc. imposed on its members and transmitted the proceeds to the government after deducting their commissions. Newar communities in the western hill regions similarly functioned under headmen called *Chaudharis*.[96] The local administration had no jurisdiction over intra-communal affairs, thus insuring that life in each community was regulated by its own traditional customs and usages.

This hierarchy of functionaries was responsible for the discharge of functions relating to land allotments, revenue collection and the administration of justice at the local level. In addition, it constituted the medium through which the government communicated with the people. In other words, these functionaries represented the government at the level of the village. It is indeed significant that while there existed a plethora of functionaries to collect revenue, maintain accounts and promote land reclamation and settlement, there were none to directly organize the agricultural process. Consequently, the existence of this multi-tiered village-level hierarchy of functionaries with himself at the bottom created a number of problems for the actual cultivator. His ability to obtain a plot of land for subsistence or indeed to continue living in the village depended on the favor of the village headman. Occasional gifts and presents as well as unpaid labor services to village headman therefore constituted an important aspect of the system. All this enhanced the burden of the cultivators' obligations based on the right to cultivate land.

Unpaid Labor Obligations

Our discussion of economic conditions in Nepal during the mid-eighteenth century will be incomplete without a reference to the obligations of the common people to provide unpaid labor services for governmental requirements. Such obligations seem to have been ubiquitous in all parts of the country, although at times their nature and extent were affected by demographic and other factors. In Kathmandu Valley, according to regulations promulgated by King Srinivas Malla (1667-85) of Lalitpur in 1672, compulsory labor was utilized in the construction of bridges and battlements, as well as during war.[97] King Jaya Prakash Malla(1736-1768) of Kathmandu exacted such labor for the transportation of saltpeter for his gunpowder factories.[98] In some Himalayan areas such as Manang, on the other hand, which lacked a stable population because of poor agricultural conditions, such labor appears to have been unknown before the Gorkhali conquests.[99] In the Tarai, lands were often granted to ryots on a tax-free basis in consideration of specified labor services,[100] thus indicating that labor was not exacted from the peasantry without a *quid pro quo* in all cases.

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[87] *Reappointment Of Fekan Das As Kanugoye In Pakari, Saptari*, Bhadra Sudi 10, 1847 (September 1790). (19/475).

[88] *Appointment Of Bal Das As Mokaddam In Khalisa, Saptari*, Poush Badi 14, 1837 (December 1780). (5/592).

[89] *Order To Chaudharis, Mandars and Others Of Marang To Reoccupy Their Holdings*, Kartik Badi 5, 1815 (October 1794). (5/753).

[90] *Appointment Of Lal Das As Kanugoye-Patuwari In Pakari, Saptari*, Aswin Badi 5, 1862 (September 1805). (6/453).

[91] *Order Regarding Appointment Of Revenue Functionaries In Bara, Parsa and Rautahat*, Aswin Sudi 13, 1851 (October 1794). (5/751).

[92] *Order To Local Functionaries In Dhulikhel To Submit Particulars For Revenue Settlement*, Shrawan Sudi 6, 1894 (August 1836). (26/665); Brian H. Hodgson, "Some Account of The Systems of Law and Police As Recognized In The State Of Nepal." *The Journal Of The Royal Asiatic Society Of Great Britain And Ireland*, Vol. 1, 1834, pp. 274-275.

[93] *Order Regarding Cultivation Of Lands In Kirtipur And Elsewhere*, Marga Badi 9, 1848 (November 1791), (5/83); *Order to Mohinaikes To Locate Vacant Holdings*, Magh Badi 9, 1844 (January 1788). (5/699).

[94] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 243, *Instructions Regarding Functions Of Thanis In Jumla*, Shrawan Badi 1, 1859 (January 1862). (24/556).

[95] *Ibid*, p. 22: *Order To Mijhars In Nuwakot And Sindhu*, Jeshtha Sudi 5, notation 1862 (May 1805). (6/6); Mahesh C. Regmi, *op. cit.*, Vol 3, pp. 114-116

[96] *Order Regarding Collection Of Revenue From Newars In Marsyangdi-Kali Region*, Baisakh Badi 12, 1848 (April 1791). (5/41).

[97] Dhanabajra Bajracharya, "Malla Kal Ma Desh Raksha Ko Vyavastha Ra Tyasprati Praja Ko Kartavya" ("Defence Arrangements During The Malla Period And Duties of The People Relating Thereto"), *Purnima*, 2, Shrawan 2021 (July 1964), pp. 20-33.

[98] *Order Regarding Transportation Of Saltpeter*, Aswin Badi 13, 1854 (September 1797). (1A/9).

[99] *Commutation Of Jhara Labor In Manang*, Chaitra Sudi 3, 1854 (March 1798). (23/305).

A Land Of Villages

Nepal then consisted almost entirely of villages. Kathmandu, Bhadgaun and Patan were probably the only settlements which could be described as towns. A Christian missionary who visited Kathmandu Valley in 1722 saw only a few towns surrounded with walls. He adds, "All the rest are poor villages consisting of huts."[101] Kirkpatrick described Hitaura, as "a place of much occasional resort, on account of its being the centre of all the commerce carried on between Nepaul and the Vizier's as well as the Company's western possessions", as "but a miserable village, containing from fifty to sixty houses."[102] The general picture of economic conditions in different areas during the mid-eighteenth century at the time of their annexation by Gorkha is thus primarily rural and agricultural. Manufacturing and trading activities were no doubt important in particular regions, such as Kathmandu Valley, but they appear relatively insignificant from the viewpoint of the country as a whole.

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[100] *Order Regarding Begar Obligations In Bara And Parsa*, Kartik Sudi 5. 1851 (November 1794). (24/483).

[101] D. R. Regmi, *Medieval Nepal*, *op. cit.*, Vol. II, p. 1013.

[102] Kirkpatrick, *op. cit.*, p. 25.

CHAPTER III

THE EXTENSION OF STATE CONTROL OVER THE LAND

At the time of political unification in the latter part of the eighteenth century, the agrarian economy in different parts of Nepal was characterised by social and economic relationships based largely on custom and tradition. Economic opportunities outside of agriculture were scarce, while caste and tradition discouraged occupational mobility. Every village was more or less a closed economic unit porducing the basic requirements of life. Peasants cultivated lands on a customary and hereditary basis. Their contacts with the outside world were channeled through traditional headmen, who collected the customary rents and other payments and levies and transmitted the proceeds to the government or to the priest, official or noble to whom these had been assigned. Waste lands were available in abundance for reclamation, and this helped to introduce a measure of stability in the agrarian economy by offsetting the impact of population growth.

Political unification had little impact on systems of land tenure in Nepal. The Gorkhali rulers generally avoided measures which might disturb the traditional systems and institutions of the people and consequently alienate their sympathies towards the new regime. The main objectives of land tenure policy were to administer areas, make land grants and assignments to different categories of people and extract revenues directly or indirectly to further the objective of territorial expansion. With the possible exception of communal land tenure (*Kipat*), existing land tenure forms contained nothing to hinder the implementation of these objectives. Land grants and assignments under the *Birta* and *Jagir* systems therefore formed the bedrock of the political and administrative set-up introduced after political unification. Large areas of lands were appropriated as rewards or emoluments to civil and military officials, members of the nobility, chieftains of vanquished principalities and others. Various measures were therefore taken from time to time to increase the area available to the government for the purpose of making such grants and assignments. This policy resulted in the expansion of particular forms of land tenure at the expense of others, albeit without any change in the basic character of the land tenure system.

Land Grants And Assignments

The *Birta* land grant system had an ancient tradition in Nepal. Under this system, the rulers of Nepal at different times in its history granted lands to members of the nobility, civil and military officials and other select groups in the society on which they depended for the sustenance and continuance of their authority. *Birta* lands were also granted in the form of ritual gifts on religious or ceremonial occasions to Brahmans with the objective of acquiring religious merit. During the period after political unification, new factors emerged to supplement these social and religious aspects of the system and give it added importance as an instrument to promote the political and economic objectives of the government. The growing territorial acquisitions of the Gorkhali government facilitated the implementation of this policy. Before the conquest of Kathmandu Valley, lands available for disposal as *Birta* were so scarce that even members of the royal family had no alternative but to acquire them through mortgage from the State.[1] But this situation changed radically after the gradual expansion of the kingdom. The abundant land resources of the eastern Tarai region, in particular, enabled the government to make munificent land grants and assignments to even ordinary people, not to speak of members of the royal family and the nobility, without any monetary outlay.

The power to grant or withhold favors in the form of *Birta* grants was of considerable significance in organizing the foundations of the new political authority and administration. In particular, this power helped the Gorkhali government to impose a control on the activities of potentially disloyal elements. In view of the fluid political boundaries of the period of political unification, it apprehended that such elements might join the enemy. Accordingly, shortly after the conquest of Kathmandu in 1768, Prithvi Narayan Shah passed a law prescribing confiscation of lands as punishment for such treasonable action.[2] Since disloyalty was punishable with confiscation of property, including *Birta* lands, the system thus insured that the nobility remained loyal. On the other hand, lavish *Birta* grants were made to the leading families of the nobility. Personal loyalty to the rulers was thus leavened with the prospects of material loss or gain. There are numerous examples to prove that the Gorkhali rulers made *Birta* grants to reward victorious generals

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[1] Cf. *Bandha Lena Grant To Ran Singh Shah*, Ashadh Sudi 2, 1821 (June 1764). (36/430). Ran Singh Shah was an illegitimate son of King Prithvi Narayan Shah.

[2] Cited In: Government of Nepal, "Kagaj Janchko" (Law On Official Documents). *Muluki Ain* (Legal Code), Kathmandu: Gorkhapatra Press, 2012 (1955). (3rd reprint of 1935 ed.). Part 2, Section 8, p. 52.

and to win over or reward those who supported their newly-established authority.[3] The Gorkhali rulers also granted *Birta* to members of the nobility in some hill principalities, mainly in Jumla, Doti, Dailekh and Baglumg districts, that had been annexed in the process of political unification. Such favors were usually conferred because the beneficiaries had defected to the Gorkhali side and rendered active assistance in their military campaigns.[4] Not all *Birtas* were granted with political motives, however. *Birta* grants were occasionally utilized as a tool for implementing governmental policies aimed at increasing agricultural production and augmenting revenue. Such grants were therefore occasionally made to persons who organized land reclamation and settlement projects and functioned as revenue collectors on behalf of the government[5]. In 1798, landowners in some eastern Tarai districts were thus promised *Birta* lands if they undertook to reclaim virgin forest lands.[6]

The Gorkhali rulers assigned lands under *Jagir* tenure on an increasing scale to members of the nobility as well as to civil and military employees as their emoluments for services rendered to the State. The system of in-kind rent payments and problems involved in the collection, storage and disposal of agricultural rents over vast areas made it difficult for the government to utilize land as a direct source of monetary revenue. The primary fiscal importance of land therefore consisted in the possiblity of assigning it as emoluments to government employees, particularly the military, in the context of prolonged military compaigns. The ubiquitous yearning for the status and privileges of land ownership enhanced the popularity of such assignments. Prithvi Narayan Shah directed that lands should be assigned to army employees so that they should remain free from domestic worries.[7] Regulations promulgated by the government of Nepal in 1793 directed that military employees should be given cash salaries only if cultivated lands were not available for assignment as *Jagir*.[8] In the absence of a broad-based money economy and public finance system, the requirements of a large scale administrative and military machinery could scarcely have been fulfilled without recourse to the *Jagir* system. Since agricultural lands, both cultivated and cultivable, had become fairly abundant as a result of the rapid expansion of the kingdom, it was much more sensible to assign lands rather than to pay emoluments in cash.

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[3] Thus, in 1773, Prithvi Narayan Shah promised Birta lands to a Brahman for the financial and other assistance the latter rendered in his military campaigns in eastern Nepal. Itihas Prakash, *op. cit.*, Part I, pp. 12-13. In 1777, his successor, King Pratap Singh (1775-1778), similarly granted Birta lands to a military commander for his successful military expeditions in the same area. (*Ibid*, p. 14.)

[4] Mahesh C. Regmi, *op. cit.*, Vol. II, p. 21.

[5] *Ibid*, p. 31.

[6] *Ibid*, p. 18.

[7] Dibya Upadesh, *op. cit.*, p. 22.

[8] Foreign Ministry (Jaisi Kotha) Records, *Administrative Regulations Of The Government Of Nepal*, Falgun Badi 4, 1849 (February 1793), Section 12. (1B/13).

Military considerations during the first decade of the nineteenth century led to a further extension of the area under *Jagir* tenure. Lands were granted in the form of *Jagir* for the settlement of areas in Makwanpur and elsewhere which were considered of strategic importance in view of the possiblilities of war with British India. In 1804, such grants were made to several families with obligations to reclaim waste lands, promote settlement, repair and maintain the local fort and supply foodstuffs required by it, collect information about developments in India and transmit it to Kathmandu, provide foodgrains, equip troops with bows and arrows and assist in the transportation of arms and ammunition. Some of these grants also obligated the beneficiaries to watch north-south tracks and "maintain only one route through the Churia hills, whichever is the worst one."[9] The *Jagir* system was thus utilized to promote settlement in this strategic area and organise it as a military base.

The land grant and assignment policy followed by the Gorkhali rulers favored particular classes and communities in the society to the exclusion of others. They tended to be concentrated for the most part among Brahmans, Chhetris and Thakuris, particularly from the western hill areas, who sustained the political authority of the new rulers. Gurungs, Magars, Tamangs and Newars generally did not receive such favors. On the contrary, they suffered a gradual depletion of or encroachment on the lands they had obtained during previous regimes as a result of *Birta* grants and *Jagir* assignments. Large areas of lands held by Newars in Kathmandu and other towns were thus acquired for the construction of temples and other purposes and they were given lands in exchange in less attractively located areas.[10]

Privileges And Obligations

Birta and *Jagir* land grants entitled the beneficiaries to collect revenue from all sources in the area covered by them. In addition, they included the right to dispense justice and exact

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[9] *Jagir Land Grant To Ghanashyam Baniya*, Chaitra Sudi 11, 1860 (March 1804). ([illegible]/65); *Jagir Land Grant To Jagannath Khatri And Others*, Baisakh Sudi 4, 1861 (April 1804). (2/71).

[10] *Acquisition Of Birta Lands In Kathmandu For Construction Of Jagannath Temple*, Baisakh Badi 1, 1854 (April 1797). (25/541-543).

unpaid labor. Even when they were minor officials and owned very small plots of land as *Jagir*, *Jagirdars* exacted from their tenants miscellaneous presents such as newly-harvested paddy, wheat, maize and fuelwood.[11] Where *Jagir* land assignments covered entire villages or divisions, they exacted payments in the form of not only agricultural commodities but also forest, mineral and cottage industry products, animals, etc.[12] A royal prince who had been assigned lands as *Jagir* in the Chharkabhot area of Dolpa district in 1799 obtained falcons, partridges, horses, sheep, blankets, carpets and miscellaneous commodities produced in the Himalayan region.[13] *Birta* incomes too were essentially of the same nature. A *Birta* owner or *Jagirdar* therefore depended on the markets, whether at Kathmandu or elsewhere, "only for such articles as his lands did not yield."[14]

Jagir grants usually involved the obligation to supply troops and weapons to the government. The seniormost officials of the State, who were members of the royal family and functioned as royal advisors, were required:[15]

> ...to remain ready for service during war or other emergencies, or whenever you are called upon to render any service, to equip forty persons with muskets, and have one cannon ready for use.

These obligations were generally in addition to the services Jagirdars rendered in their capacity as government servants. But there were also cases in which Jagir assignments were made for such specific purposes as the supply of arrows[16] or of materials required in gunpowder factories.[17] The right of the State to obtain troops from *Birta* owners and *Jagirdars* did not exist merely in theory. Thus in 1814, during the Nepal-British war, *Birta* owners and *Jagirdars* in the eastern Tarai were ordered to supply troops in proportion to the size of their holdings. They were threatened with the confiscation of their lands in case they did not comply with this order.[18]

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[11] *Tenancy Rights On Jagir Lands In Bungmati*, Kartik Sudi 5, 1851 (November 1794). (24/468).

[12] *Supply Of Commodities From Jagir Lands Of Chautariya Ran Udyot Shah In Pokhara And Elsewhere*. Kartik Badi 30, 1856 (November 1799). (23/429).

[13] *Supply of Commodities from Jagir Lands Of Chautariya Ran Udyot Shah In Chharka*, Kartik Badi 30, 1856 (November 1799). (24/430).

[14] Kirkpatric, *op. cit.*, p. 91.

[15] Itihas Prakash, *op. cit.*, Vol. 3, Book 2, p. 415; *Royal Order Regarding Appointment Of Amar Singh Thapa and His Son As Kajis*, Baisakh Badi 9 (April 1810). (39/152).

[16] Cf. *Jagir Land Grant to Ran Singh Adhikari For Supply of Arrows*, Bhadra Sudi 30, 1850 (September 1793). (36/17).

[17] *Jagir Land Grant To Inhabitants Of Thimi For Supply of Charcoal And Other Materials To Gunpowder Factory*, Aswin Badi 13, 1854 (September 1797). (25/611).

Both *Birta* owners and *Jagirdars*[19] were required to provide transport facilities through their areas for governmental requirements.[20] At least one category of *Birta* grants was meant to insure the performance of services required at the royal palace from time to time.[21] These services were often so onerous that a *Birta* owner once even preferred to work at the district headquarters rather than at the royal palace.[22] *Birta* owners in the hill regions including Kathmandu Valley were obliged to supply food for the army during Nepal's wars with Tibet and China in 1788-93.[23] Under this arrangement, they were obligated to sell foodgrains at prescribed prices[24] and transport them to the front without any additional payment.[25] Such obligations were not limited to the fulfilment of war requirements. During the power struggle that occurred between ex-king Ran Bahadur and King Girban in 1800, the latter ordered the *Birta* owners of a certain village in Nuwakot:[26]

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It seems hardly necessary to point out that the privileges of *Birta* owners and *Jagirdars* considerably outweighed their obligations. Their official status made them immune from the harassments caused by the ubiquitous compulsory and unpaid labor obligations. Moreover, hardly any *Birta* owner or *Jagirdar* occupied homesteads on *Raikar* lands. They were therefore generally exempt from the burden of the miscellaneous homestead taxes and levies paid by the common people. In fact, the taxes they paid on a regular basis were limited to the *Darshan-Bhet*, a levy which was collected at a rate depending upon status at the time of appointment and subsequent annual confirmations,[27] and occasional levies meant to finance special expenditures at the royal palace.

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[18] *Order To Birta Owners And Jagirdars In Bara, Parsa And Rautahat To Supply Recruits*, Ashadh Badi 12, 1871 (June 1814). (41/587); *Order To Birta Owners And Jagirdars In Salpari And Mahottari To Supply Recruits*, Kartik Sudi 15, 1871 (November 1814). (41/433).

[19] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 415.

[20] *Order To Birta Owners In Salpare And Mahottari To Provide Bullock-Carts For Transport Of Royal Palace Supplies*, Marga Badi 12, 1863 (November 1806). (5/99).

[21] Mahesh C. Regmi, *op. cit.*, Vol. II, p. 36; *Order To Bitalab Owners Of Dhokshila Regarding Capture Of Wild Elephants*, Marga Sudi 10, 1849 (December 1792). (25/199).

[22] *Order To Udaya Narayan Devkota Regarding His Refusal To Accept Bitalab Birta Owner Status*, Poush Sudi 8, 1849 (January 1850). (25/287).

[23] *Order To Birta Owners In Eastern Nepal To Supply Rice Under Bisamuri Levy*, Jestha Sudi 13, 1845 (June 1788). (5/716).

[24] *Order Regarding Supply Of Rice Under Bisamuri Levy*, Shrawan Sudi 7, 1849 (July 1792). (5/209).

[25] The government then sold these foodgrains to its troops with a 25% profit. *Order Regarding Supply Of Bisamuri Rice At Dhaibung*, Bhadra Sudi 4, 1849 (August 1792). (5/216).

[26] Mahesh C. Regmi, *op. cit.*, Vol. II, p. 10.

Landlord-Peasant Relationships

The special tenurial privileges which *Birta* owners and *Jagirdars* enjoyed thus made them the sole rentier class in the country. It appears likely that almost all large *Birta* owners and *Jagirdars*, and many of the small ones, cultivated their lands through tenant labor. It may in fact be correct to assume a correlation between the size of *Birta* and *Jagir* holdings and the manner in which these were cultivated. Where holdings were small, cultivation through tenants would hardly be worth while, unless the owner had alternative sources of income. An additional factor contributing to personal cultivation of small *Birta* and *Jagir* holdings was the difficulty of getting labor. *Birta* owners or *Jagirdars* whose holding comprised one or more villages suffered little from labor scarcity. But where the holding comprised only a field, the owner had no control over manpower. Kirkpatrick writes:[28]

> Though one or two men might, if time allowed, plough a Kaith very well, yet as several hands are required to sow and reap it, there can be but a small proportion of it separately managed by the Jaghiredar, or occupier, however numerous his family may be.

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This of course would be true only if the *Jagirdar* resided in the area in which his *Jagir* holding was situated. But this was seldom the case. *Jagirdars*, in fact, held their *Jagirs* "indifferently in all parts of the Nepaul territories,"[29] whereas the duties of their office required them to live in Kathmandu or in places where they were assigned from time to time.

Under the *Birta* and *Jagir* systems, therefore, members of the nobility and the priestly and military castes and royal favorites enjoyed a superior title in the land by virtue of royal sanction. Their right primarily rested in the soil, so that they could cultiadministrative and military machinery could scarcely have been fulfilled without recourse to the *Jagir* system. Since agricultural lands, both cultivated and cultivable, had become fairly abundant as a result of the rapid expansion of the kingdom, it was much more sensible to assign lands rather than to pay emoluments in cash.

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[27] *Instructions Regarding Collection Of Darshan-Bhet Levy In Doti*, Falgun Badi 11, 1854 (February 1795). (23/293).

[28] Kirkpatrick, *op. cit.*, p. 98.

[29] *Ibid*, p. 125.

Military considerations during the first decade of the nineteenth century led to a further extension of the area under *Jagir* tenure. Lands were granted in the form of *Jagir* for the settlement of areas in Makwanpur and elsewhere which were considered of strategic importance in view of the possiblilities of war with British India. In 1804, such grants were made to several families with obligations to reclaim waste lands, promote settlement, repair and maintain the local fort and supply foodstuffs required by it, collect information about developments in India and transmit it to Kathmandu, provide foodgrains, equip troops with bows and arrows and assist in the transportation of arms and ammunition. Some of these grants also obligated the beneficiaries to watch north-south tracks and "maintain only one route through the Churia hills, whichever is the worst one."[9] The *Jagir* system was thus utilized to promote settlement in this strategic area and organise it as a military base.

The land grant and assignment policy followed by the Gorkhali rulers favored particular classes and communities in the society to the exclusion of others. They tended to be concentrated for the most part among Brahmans, Chhetris and Thakuris, particularly from the western hill areas, who sustained the political authority of the new rulers. Gurungs, Magars, Tamangs and Newars generally did not receive such favors. On the contrary, they suffered a gradual depletion of or encroachment on the lands they had obtained during previous regimes as a result of *Birta* grants and *Jagir* assignments. Large areas of lands held by Newars in Kathmandu and other towns were thus acquired for the construction of temples and other purposes and they were given lands in exchange in less attractively located areas.[10]

Privileges And Obligations

Birta and *Jagir* land grants entitled the beneficiaries to collect revenue from all sources in the area covered by them. In addition, they included the right to dispense justice and exact

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[9] *Jagir Land Grant To Ghanashyam Baniya*, Chaitra Sudi 11, 1860 (March 1804). (2/65); *Jagir Land Grant To Jagannath Khatri And Others*, Baisakh Sudi 4, 1861 (April 1804). (2/71).

[10] *Acquisition Of Birta Lands In Kathmandu For Construction Of Jagannath Temple*, Baisakh Badi 1, 1854 (April 1797). (25/541-543).

unpaid labor. Even when they were minor officials and owned very small plots of land as *Jagir*, *Jagirdars* exacted from their tenants miscellaneous presents such as newly-harvested paddy, wheat, maize and fuelwood.[11] Where *Jagir* land assignments covered entire villages or divisions, they exacted payments in the form of not only agricultural commodities but also forest, mineral and cottage industry products, animals, etc.[12] A royal prince who had been assigned lands as *Jagir* in the Chharkabhot area of Dolpa district in 1799 obtained falcons, partridges, horses, sheep, blankets, carpets and miscellaneous commodities produced in the Himalayan region.[13] *Birta* incomes too were essentially of the same nature. A *Birta* owner or *Jagirdar* therefore depended on the markets, whether at Kathmandu or elsewhere, "only for such articles as his lands did not yield."[14]

Jagir grants usually involved the obligation to supply troops and weapons to the government. The seniormost officials of the State, who were members of the royal family and functioned as royal advisors, were required :[15]

> ...to remain ready for service during war or other emergencies, or whenever you are called upon to render any service, to equip forty persons with muskets, and have one cannon ready for use.

These obligations were generally in addition to the services Jagirdars rendered in their capacity as government servants. But there were also cases in which Jagir assignments were made for such specific purposes as the supply of arrows[16] or of materials required in gunpowder factories.[17] The right of the State to obtain troops from *Birta* owners and *Jagirdars* did not exist merely in theory. Thus in 1814, during the Nepal-British war, *Birta* owners and *Jagirdars* in the eastern Tarai were ordered to supply troops in proportion to the size of their holdings. They were threatened with the confiscation of their lands in case they did not comply with this order.[18]

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[11] *Tenancy Rights On Jagir Lands In Bungmati*, Kartik Sudi 5, 1851 (November 1794). (24/468).

[12] *Supply Of Commodities From Jagir Lands Of Chautariya Ran Udyot Shah In Pokhara And Elsewhere*. Kartik Badi 30, 1856 (November 1799). (23/429).

[13] *Supply of Commodities from Jagir Lands Of Chautariya Ran Udyot Shah In Chharka*, Kartik Badi 30, 1856 (November 1799). (24/430).

[14] Kirkpatric, *op. cit.*, p. 91.

[15] Itihas Prakash, *op. cit.*, Vol. 3, Book 2, p. 415; *Royal Order Regarding Appointment Of Amar Singh Thapa and His Son As Kajis*, Baisakh Badi 9 (April 1810). (39/152).

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[18] *Order To Birta Owners And Jagirdars In Bara, Parsa And Rautahat To Supply Recruits*, Ashadh Badi 12, 1871 (June 1814). (41/587); *Order To Birta Owners And Jagirdars In Saptari And Mahottari To Supply Recruits*, Kartik Sudi 15, 1871 (November 1814). (41/433).

[19] Itihas Prakash, *op. cit.*, Vol. 2, Book 3, p. 415.

[20] *Order To Birta Owners In Saptari And Mahottari To Provide Bullock-Carts For Transport Of Royal Palace Supplies*, Marga Badi 12, 1863 (November 1806). (5/99).

[21] Mahesh C. Regmi, *op. cit.*, Vol. II, p. 36; *Order To Bitalab Owners Of Dhokshila Regarding Capture Of Wild Elephants*, Marga Sudi 10, 1849 (December 1792). (25/199).

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Under the *Birta* and *Jagir* systems, therefore, members of the nobility and the priestly and military castes and royal favorites enjoyed a superior title in the land by virtue of royal sanction. Their right primarily rested in the soil, so that they could cultivate the lands themselves or engage others to do so. But their social status and professional obligations generally precluded personal cultivation. Their rights differed fundamentally from those of the general mass of the peasantry, who subsisted on plots cultivated under customary tenures. Peasants were customary tenants producing their own food and paying for the privilege of customary holding through various payments and servitudes. The revenue collecting privilege sanctioned by authority of government through *Birta* and *Jagir* grants created an interest in land against which the customary occupiers of land had no rightful protection. According to one study:[30]

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[27] *Instructions Regarding Collection Of Darshan-Bhet Levy In Doti*, Falgun Badi 11, 1854 (February 1795). (23/293).

[28] Kirkpatrick, *op. cit.*, p. 98.

[29] *Ibid*, p. 125.

> Peasants worked on behalf of *Birta* owners in conditions over which the government exercised no direct control. Police and judicial functions were discharged by the *Birta* owners. As long as *Birta* owners were politically loyal and were not excessively oppressive, the government had no direct concern with the peasantry. Vested with the proprietorship of an estate, the *Birta* owners enjoyed a miscellany of conventional rights and the proceeds of numerous personal servitudes and exactions. Secure from the interference of local officials in the exercise of their rights, they owed allegiance only to the king, an allegiance occasionally manifested when a new king was crowned or the royal princesses were married, or during war and other emergencies.

Peasants cultivating *Birta* and *Jagir* lands had thus no direct relationship with the State. They had to deal with the *Birta* owner or *Jagirdar* in respect to almost all social and economic aspects of life. *Birta* and *Jagir* grants in fact meant a virtual abdication by the State of its internal sovereign authority.

Both *Birta* owners and *Jagirdars* owed their power and authority to the theory of State ownership of the land. Unlike the feudal lords of western Europe during the medieval period, their position was not due entirely to "the powerlessness of the central government to exercise an effective control over a territory much too extensive for the forces at its disposal."[31] They held their grants and assignments always at the discretion of the central government. The composition of the *Birta* and *Jagir* land-owning classes was subject to constant change. Consequently, these classes never attained a position strong enough to challenge the central authority or to build up the social bonds characteristic of European feudalism. Nevertheless, from the viewpoint of the peasantry, the existence of a class possessing superior rights in the land was more important than its composition. *Birta* owners and *Jagirdars* might change from time to time, but the tenure systems in themselves remained intact. The peasants' medley of obligations was scarcely disturbed because these were due to different persons in different years.

Objectives Of Land Tenure Policy

In the foregoing sections, we have described the growing scale of land grants and assignments during the period after political unification and the privileges and obligations of the beneficiaries. It needs to be reiterated at this stage that the change which this brought about in the land tenure system of Nepal was mainly of a quantitative nature. In other words, the Gorkhali rulers generally utilized existing systems and practices to fulfil their political, administrative and military objectives. But, in the process, a number of new factors emerged which necessitated the adoption of drastic policies and measures in the field of land tenure policy. For the successful working of the land grant and assignment system, on which the political, administrative and military framework of the State depended, it was necessary that large areas of agricultural lands should be available to the government. The requirements of agricultural lands for grant or assignment as *Birta* or *Jagir* increased considerably with the growing size of the kingdom and the continuing campaign of conquest. However, actual requirements soon outstripped the availability of lands.

Particularly after 1804, when the government of Nepal resumed its westward thrust in the Jamuna-Sutlej region, military recruitment grew to such a scale that it was limited only by the area of agricultural lands available for the purpose of assignment as *Jagir*. To some extent, the shortage of lands was mitigated by the assignment of waste lands as *Jagir*. The beneficiaries of such assignments were under obligation to reclaim them and appropriate rents thereon. The government thus solved simultaneously the problems of compensating its employees and promoting land reclamation and settlement. Indeed, *Jagir* assignments were often made with the specific objective of encouraging land reclamation, and tax exemptions were provided to make the assignment more attractive financially. However, it was not always possible to assign waste lands as *Jagir*. Newly-recruited troops required the immediate payment of emoluments, and military considerations hardly permitted the delaying of recruitment until waste lands could be reclaimed. The government was therefore compelled to initiate a policy aimed at bringing private or communal lands also under its control. Vast areas of cultivated lands were converted from *Birta* to *Raikar*, and from *Raikar*, *Birta* and *Kipat* to *Jagir*, in pursuance of this policy.

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[30] Mahesh C. Regmi, *op. cit.*, Vol. II, pp. 6-7.

[31] Marc Bloch, "European Feudalism". *Encyclopaedia Of The Social Sciences*. New York: Macmillan, 1963 (reprint). Vol. 6, p. 203.

Birta Confiscation

The policy of confiscating *Birta* lands for conversion into *Raikar* or *Jagir* was initiated soon after the conquest of Kathmandu Valley in 1768-69. Survey regulations promulgated for this area in 1805 refer to "lands confiscated from Brahmans, Sanyasis, Khas and other communities" after the conquest.[32] The *Birta* lands of Newars too appear to have been confiscated in certain cases. A royal order issued in 1795 mentions that "the entire paddy lands of Newars in Changu (Kathmandu district) had been confiscated."[33] A different line was followed when Prithvi Narayan Shah "scrutinized the signature" on *Guthi* land endowments made by the displaced Malla kings in Kathmandu Valley. According to an order issued by King Girban in 1804:[34]

> After we entered Nepal (i.e. Kathmandu Valley) our great-grand-father (i.e. King Prithvi Narayan Shah) scrutinized *Guthi* land endowments made by the Malla kings, abolished those that were to be abolished, and confirmed those that were to be confirmed.

Indeed, the general practice appears to have been to confiscate all *Birta* lands granted by former rulers when any new territory was subjugated by conquest rather than by surrender. However, such confiscations were seldom of a general character, for there were always elements in the subjugated territories that had supported the conquerors during the struggle. Often the Gorkhali rulers had to pacify particular individuals and groups or areas by refraining from confiscation or by subsequent restoration of *Birta* grants. In the provincial area, *Jagir* land assignments were often made by local administrators even without royal sanction.[35] Such grants too were scrutinized from time to time, and those made to persons who were no longer able to render services to the government were confiscated.[36] In fact, *Birta* and *Jagir* grants were made liberally in newly-conquered areas in the initial stage and confiscated subsequently when Gorkha's occupation was firmly established.

Around 1787, the government of Nepal adopted the policy of resuming *Birta* and other land grants on a more systematic basis. For this purpose, the grants were scrutinized, and those

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[32] *Land Survey Regulations For Kathmandu*, Poush Sudi 15, 1861 (January 1805). (19/45).

[33] *Restoration Of Confiscated Lands Of Newars In Changu*, Marga Sudi 8, 1851 (December 1795). (5/300).

[34] *Confirmation Of Guthi Lands Of Chandeshwari Temple In Banepa*, Bhadra Badi 6, 1861 (August 1804). (2/144).

[35] *Morang Administrative Regulations*, Shrawan Sudi 2, 1855 (July 1798). Section 16. (2[illegible]/668).

[36] *Ibid.*

that had not been made duly in the name of the reigning king were confiscated. But the requiremedts of the military campaign undertaken in the Jamuna-Sutlej region forced the pace of such measures during 1805-6.[37] The basic features of measures undertaken during these years for the scrutiny of *Birta* and *Guthi* land grants in different parts of the country may be summarized as follows:[38]

1. All land grants made by former kings as well as by their queens and crown princes shall be confirmed, provided they had accepted Kathmandu's suzerainty and had not been displaced. But the area in excess of the figures mentioned in the grant shall be confiscated.
2. Land grants made without royal authority by officials deputed from Kathmandu shall be abolished.
3. In case documentary evidence of title is not available, and the adjoining landowners have no knowledge of either the donor or the beneficiary, the lands shall be confiscated.
4. Even in case documentary evidence of grant is not available, lands shall not be confiscated if the adjoining landowners take oath that the grant was authentic.

These general regulations were supplemented by separate provisions to meet the special circumstances of different regions. Lands granted as *Birta* in the eastern Tarai during the self-imposed exile of ex-king Ran Bahadur Shah from May 1800 to January 1804 were all confiscated.[39] In Kathmandu Valley, certain categories of *Birta* grants were scrutinized even though they were backed by valid documentary evidence, as it was suspected that the owners had utilized a larger area than what had actually been granted. This resulted in the confiscation of large areas of lands which had been illegally appropriated as *Birta*, although subsequently the government restored half of the confiscated area in order to mollify the victims.[40]

A study of these regulations would indicate that the primary objective of the Gorkhali rulers was to extend State control over newly-reclaimed holdings which had not been brought within the ambit of the land revenue system. It is a natural tendency of peasant communities to reclaim waste lands wherever existing holdings are overcrowded. But because of administrative difficulties, such holdings were not subjected to taxation even after the customary 3 or 4-year exemption period. As we mentioned in a previous chapter, many persons had occupied lands as *Birta* or *Kipat* in Majhkirat because "the former king of that area was weak."[41] But since *Birta* is a right which can be acquired only through a royal grant, it would be misleading to apply this term to lands which people had reclaimed and cultivated without proper authorization. These regulations were not intended to affect *Birta* owners with valid titles.[42] Even when documentary evidence was not available, the owners were permitted to retain their lands if they took an oath that they had acquired these through valid means. If several of them were unable to take such oath and hence lost their lands[43] or had no alternative but to forge inscriptions to justify their possession,[44] this can only be interpreted as meaning that the official measures were directed not against *Birtas* as such but against the use of lands without paying anything. It should also be noted that official orders issued in connection with these measures refer primarily to Brahmans. This possibly indicates that Brahmans often took advantage of their prominence as a *Birta* owning community and the prevailing administrative confusion to evade the payment of taxes due on lands which they reclaimed and cultivated.

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[37] Mahesh C. Regmi, *op. cit.*, Vol. II, p. 85.

[38] *Land Survey Regulations*. Separate regulations for different regions in the hill districts, including Kathmandu Valley, promulgated on different dates between Baisakh and Poush, 1862 (April-December 1805). (5/567, 6/162-192. 19/257-421, 20/216-359). Regulations for the scrutiny of particulars in the course of these surveys were promulgated on Baisakh Badi 2, 1862 (April 1805) (5/501), with addenda on Baisakh Sudi 3, 1862 (April 1805). (5/514).

[39] *Land Survey Regulations For Eastern Tarai Districts*, Poush Badi 30, 1862 (January 1806). (6/695); *Miscellaneous Regulations For Eastern Tarai Districts*, Shrawan Badi 30, 1863 (July 1806). (6/858).

[40] *Order To Sardar Bhotu Pande Regarding Confiscation Of Pota Birta Lands In Kathmandu*, Ashadh Sudi 2, 1862 (June 1805). (19/81); *Order To Subedar Hindu Regarding Confiscation Of Pota Birta Lands In Palpa*, Ashadh Sudi 2, 1862. (June 1805). (19/81).

Other Confiscation Measures

In their effort to bring progressively large areas of agricultural lands under their control, both to provide for land assignments to the military and to increase the State revenue, the Gorkhali rulers did not ignore the large areas that had been

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[41] *Instructions To Hemakarana Thapa Regarding Land Survey And Reclamation In Tumlingtar*, Baisakh Sudi 4, 1862 (April 1805). 20/224).

[42] But sometimes over-zealous officials acted beyond the ambit of these regulations and confiscated even valid Birta grants. According to an official order issued in December 1806: "Regulations had been promulgated to scrutinize *Birta* and *Guthi* grants in Bara, Parsa, Saptari, Mahottari and Morang districts, confiscate those that were proved to be invalid, and assign them as *Jagir* to the military. Revenue already collected and appropriated by the military from *Birta* or *Guthi* lands with valid evidence of title need not be refunded, but collections shall not be made on such lands in the future." (5/113); *Order Regarding Confiscation of Birta and Guthi Lands In Tarai Districts*, Marga Sudi 11, 1863 (December 1806). (5/113).

[43] *Instructions To Bishram Khatri Regarding Confiscation Of Birta Lands In Tanahu*, Ashadh Badi 12, 1862 (June 1805). (6/86),

[44] *Instructions To Laxmi Das Pantha And Other Officials Regarding Confiscation Of Birta Lands In Salyan*, Bhadra Badi 13, 1862 (August 1805). (6/351).

alienated through mortgage to private individuals by the rulers of the vanquished principalities, particularly in the western hill region. In 1789, measures were undertaken on a large scale to pay off the mortgages and resume the alienated lands.[45] But since such a policy involved the disbursement of large sums of money, the government soon switched over to another expedient. Accordingly, after 1795, instead of taking over such mortgaged holdings in their entirety, it reduced their size on the ground that the area of land occupied by the mortgages outproportioned the value of the original payment. The lands had been originally mortgaged at rates ranging from Rs 2 to Rs 4 per *muri*. The government now decided that Rs 6 to Rs 9 per *muri* would be a more realistic rate, and accordingly took over the area contained in mortgaged holdings which were not covered by the original payment at these rates In other words, if a 50-*muri* holding had been acquired on mortgage by an individual on payment of Rs 100 previously, he was allowed to retain only about 16 *muris* (at the rate of Rs 6 per *muri*). The balance of 34 *muris* was then resumed as *Raikar*.[46]

Kipat Land Tenure Policy

We have so far discussed the policies adopted by the government of Nepal during the period after political unification towards different categories of the *Birta* and *Guthi* forms of land tenure. These tenures owed their origin to grants made by the State through documents written on paper or inscribed on stone, copper or gold. Consequently, it was usually a simple matter to prove that any plot of land being utilized as *Birta* or *Guthi* had not actually been granted by a valid authority, or that the beneficiaries were actually utilizing an area larger than the figure mentioned in the grant. But the situation in respect of *Kipat* lands was more complex.

We have described the basic features of the *Kipat* land tenure system in a previous chapter. But before discussing Gorkhali policy towards this system, it appears necessary to add a few words on this subject. The *Kipat* system, as it existed at the time of the Gorkhali conquest, essentially represented an attempt at compromise between the customary rights of a tribal community and the sovereign authority of the State. This meant, in effect, that the conception of private property rights in the land was applied to a communal form of land tenure. But the

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[45] *Conversion Of Bandha Lands Into Raikar In Kahule*, Magh Sudi 6, 1846 (January 1790). (36/432).

[46] *Orders Regarding Confirmation Of Bandha Lands Granted By Rajas Of Tanahu And Lamjung*, Ashadh Sudi 2, 1853 (June 1796). (23/1); *Regulations Regarding Deduction In Bandha Holdings In Western Hill Region*, Aswin Sudi 15, 1852 (October 1795). (40/446).

"cultivator" was generally identified as the most influential man in the community. Consequently, titles to large areas of lands were validated in favor of the headman. This process continued after the Gorkhali conquest. The State confirmed land rights under the *Kipat* system to *Subbas* or *Rais*. These functionaries retained these rights in their fiduciary capacity as representatives of the community. Peasants cultivated their individual holdings subject to the reversionary rights of the community. This meant that in case any holding fell vacant because of the death of the occupant or otherwise, the *Subba* or *Rai* had the right to reallot it to any suitable applicant within the community. Village headmen exercised a similar right in respect to vacant *Raikar* holdings also, but in such cases the ethnic status of the applicant was not the sole factor that governed reallotment.[47]

In the light of the objectives of the land tenure policy followed by the Gorkhali rulers, which aimed at maximizing the area of lands under State control, *Kipat* land tenure thus presented a difficult problem. *Kipat* owners controlled large areas of agricultural and homestead lands, both cultivable and waste, which were not available to the government for grants and assignments. But the government had to tread warily while pursuing its policy, particularly in Pallokirat. This area was inhabited by a turbulent community which had not then been fully reconciled to Gorkhali occupation and rule. Moreover, it was located in the strategic Nepal-Tibet-Sikkim trijunction. Official policy towards the *Kipat* land tenure system in Pallokirat was consequently characterized by an ambivalence born of both strategic considerations and the desire to extend State control over *Kipat* lands.

After his conquest of the eastern hill regions, Prithvi Narayan Shah therefore followed a conciliatory policy towards the Limbu community in respect to the lands they held under customary *Kipat* tenure. He decreed :[48]

> Enjoy your land from gerneration to generation, as long as it remains in existence.... In case we confiscate your land, may our ancestral gods destroy our kingdom.

But these assurances do not appear to have satisfied the Limbus, large numbers of whom preferred migration to the adjoining areas of India and Sikkim. Kathmandu then confiscated the *Kipat* lands of the fugitive Limbus and granted them to non Limbu settlers under *Raikar* or *Birta* tenure. For some time there after, Kathmandu was too engrossed in its military campaigns in other areas to pay attention to the internal affairs of Pallokirat. The Limbus

for their part did not submit docilely to Gorkhali subjugation and were not hesitant to seek external support for their rebellions against Kathmandu's authority. During the Nepal-China war of 1788-93 many of them actually joined the enemy. Such rebellions were eventually suppressed, but the government realized the need to develop more amicable relations with the Limbus. Accordingly, it proclaimed an amnesty in 1795 calling on the fugitive Limbus to return to Pallokirat and guaranteeing their traditional customs and privileges.[49] The Limbus appear to have been satisfied with these assurances, for many of the fugitives returned home[50] and reoccupied their confiscated lands. The inconclusive end of the Nepal-China war may have convinced them of the futility of persisting in their opposition to the Gorkhali regime. Nor is there any evidence that emigration secured them a better deal. Many fugitive Limbus were said to have reclaimed waste lands in the adjoining district of Purnea in India. But they soon found that their choice had not been wise. According to one source,[51]

> No sooner had the natives seen that the (wild) animals had vanished than they quarrelled with the mountaineers, and as these people had no legal security for the property which they had cleared, a great many have been driven out, and the lands given to favorites.

In Majhkirat too, the pattern of developments was more or less the same. *Kipat* owners in this area appear to have lost their lands after the conquest, but were invited in 1793 to return and reoccupy their confiscated lands, and their traditional customs and privileges were restored.[52]

Such blanket confirmations and guarantees only partially mitigated the conflict between the communal land tenure system of the Limbus and the sovereign authority of the newly-founded kingdom. They did not bring the objectives of Gorkhali land tenure policy nearer fulfillment. Kathmandu had therefore to resort to another gambit in order to extend its control over *Kipat* lands. This policy assumed the forms of encouragement to the immigration of other communities to Pallokirat, including people from Tibet and India.[53] Since lands reclaimed by non-Limbu communities could no longer remain under *Kipat* tenure, this insured that a growing area of *Kipat* lands was converted into *Raikar*. Such immigration, in addition, helped to break the Limbu hegemony in Pallokirat. This policy was actually started around 1796,[54] but it assumed a more concrete form when the government issued the following order to Limbu *Kipat* owners in Pallokirat in May 1805:[55]

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[47] Mahesh C. Regmi, *op. cit.*, Vol. III, p. 94.

[48] *Ibid*, p. 88.

[49] *Loc. cit.*

[50] Buchanan, *op. cit.*, p. 257.

[51] *Ibid*, pp. 305-306.

[52] *Royal Order To Kipat Owners Of Majhkirat* Bhadra Sudi 7, 1850 (September 1793). (5/276).

[53] *Arrangements Regarding Land Reclamation In Pallokirat*, Jestha Sudi 5, 1862 (June 1805). (5/488).

> Cultivated areas and settlements on your *Kipat* lands are your own. We have given authority to (our officials) to promote settlement on waste and uncultivated lands there. In case you obstruct efforts to make our country populous, you shall be severely punished.

Kipat lands reclaimed in this manner by non-Limbu settlers were then treated as *Raikar*. Rents were collected on them as on other *Raikar* lands and then assigned to the military.[56] Naturally, the Limbus protested against this encroachment on their customary rights over waste lands contained in their *Kipat* holdings.[57] But since their *Kipat* rights as a whole had been confirmed through royal guarantees, their protestations seem to have lacked vehemence. Kathmandu therefore felt itself strong enough to tell them in September 1811:[58]

> We have received reports that you refuse to let Khas, Magar, Brahman (and other) people from the hill regions settle on your lands. We have sent them to reclaim lands which can be converted into paddy fields. ... In case any (*Kipat* owner) whose holdings contain irrigable lands which can be reclaimed as paddy fields...does not let hill people settle thereon...he shall be awarded severe punishment.

One possible reason for the lack of vehemence of the *Kipat* owning Limbus to such encroachments was their own predilection for settlers belonging to other communal groups. Even before being officially encouraged by the Gorkhali government to settle in Pallokirat, Khas, Magar, Brahman and other people had been doing so at the invitation of the Limbus themselves. Since most Limbus owned extensive areas of land under *Kipat* tenure, there must have been an acute shortage of labor. Given primitive methods of cultivation, immigration helped to strike

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[54] *Pallokirat Administrative Regulations*, Chaitra Sudi 13, 1853 (April 1797). (25/342). Section 1.

[55] *Royal Order To Kipat Owners Of Chainpur*, Baisakh Sudi 14, 1862 (May 1895). (5/579).

[56] *Order Regarding Jagir Assignment Of Newly-Relcamined Lands In Chainpur*, Aswin Sudi 1, 1868 (September 1811). (40/277).

[57] Disputes between Limbus and non-Limbu settlers occurred frequently as a result. In 1804, a dispute between a Limbu and a Brahman settler in Chainpur was decided in favor of the latter and the judgment issued in this connection stated: "Limbus do not tolerate Brahmans, but they shall not be allowed to displace any Brahman." *Settlement of Land Dispute In Pallokirat*, Baisakh Badi 11, 1861 (April 1804), (5/469). For a detailed analysis of this rivalry, see Lionel Caplan, *Land And Social Change In East Nepal: A Study In Hindu Tribal Relations*, 1970, specially Chapter 4: "Limbus and Brahmans, the cleavage", pp. 55-75.

[58] *Ibid*,

a better balance between available land and labor resources. Nor is there any evidence that this manpower shortage was limited to the field of agriculture. Occupational castes such as those of tailors, blacksmiths and cobblers, had not developed within the Limbu community, and this social gap must have been another important factor resulting in the migration of non-Limbus to Pallokirat even in the absence of official encouragement from Kathmandu. It should be noted that *Kipat* landowning rights were then considered alienable in Pallokirat.[59]

The Gorkhali rulers had less difficulty in extending control over *Kipat* lands owned by other communal groups in other parts of the hill regions. Not only were these groups less organized and turbulent than the Limbus of Pallokirat, but the areas in which their Kipat lands were situated also lacked strategic importance. Accordingly, in 1791, ceilings were imposed on all *Kipat* holdings held without documentary evidence by different communities in the eastern hill region and the area in excess of the prescribed ceilings was confiscated.[60]

Imposition Of Ceilings

There is evidence that the Gorkhali rulers imposed such ceilings on land holdings not only in the *Kipat* areas of the eastern hill regions mentioned above but also in other parts of the country where individuals or groups had been able to hold lands in excess of their subsistence needs through custom, tradition or even royal grant. In a previous chapter, we had mentioned that in Doti district influential families controlled large areas of waste lands while others suffered from a shortage of cultivable lands. Such a situation inhibited land reclamation and settlement and ran counter to the official policy of maximizing the area of agricultural lands under State control. In 1816, therefore, the government decreed that landholders in this district should be allowed to retain only such area as they could cultivate personally, while the excess should be allotted to ex-migrant families.[61] Arrangements made in Kathmandu Valley to impose ceilings on certain categories of *Birta* land grants may be regarded as part and parcel of the same policy.[62]

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[59] Restrictions on the sale of Kipat lands in Pallokirat to non-Limbus were first imposed in 1883. Mahesh C. Regmi, *op. cit.*, Vol. III, p. 97.

[60] King Ran Bahadur Shah, *op. cit.*, p. 115.

[61] *Administrative. Regulations For Doti*, Poush Badi 4, 1873 (December 1816). (36/328).

[62] *Regulations Regarding Redistribution Of Chhap Lands*, Kartik Badi 14, 1866 (November 1809). (40/106); *Royal Order To Chhap Holders In Southern Kathmandu*, Bhadra Sudi 1, 1862 (August 1805). (6/364); *Confiscation Of Khet Lands In Chhap Holdings*, Ashadh Sudi 2. 1853 (June 1796). (23/47).

Land Tenure Policy And The Peasantry

The land tenure policies of the government of Nepal during the period after political unification, insofar as they were aimed at maximizing the area of State control over agricultural lands to provide for land grants and assignments, thus appear to have been eminently successful. Thanks to these policies, the Gorkhali rulers were able to mobilize an army large enough to extend the frontiers of the newly-founded kingdom up to the Jamuna-Sutlej region. At the same time, we should not overlook the picture from the viewpoint of the peasantry. These policies also resulted in the elimination of small free-hold cultivators, the disruption of the direct relationship between the State and the cultivator and the creation of rent-receiving[63] classes in the form of *Birta* owners and *Jagirdars*. The status of the cultivating class was degraded to that of serfs in a feudal society. The superstructure of agrarian relations thus created served the immediate administrative and military needs of the government, so that efforts to regulate the relationship between cultivators and rent-receivers were seldom a pressing need. Considerations of the welfare and security of the cultivators influenced these policies and programs only to the extent necessary to check depopulation. But before analyzing their impact on the peasantry, we shall make an attempt to complete our study of the measures taken by the Gorkhali rulers to raise resources for financing territorial expansion by discussing their revenue problems and the taxation system created to solve them.

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[63] The term "rent-receiving" has been used here to describe beneficiaries of land and revenue grants and assignments. The State, no doubt, alienated its tax-collecting authority thereby, but the payment consequently due to *Birta* owners and *Jagirdars* from cultivators must be regarded as rent: Only payments due to the State can be appropriately described as taxes.

CHAPTER IV

REVENUE AND TAXATION

In the previous chapter, we discussed the measures taken by the government in the period following political unification to extend State control over agricultural lands in order to make land grants and assignments to different categories of people. As a result of this policy, the major portion of the total cultivated area was brought under *Birta* or *Jagir* tenures. However, *Birta* owners and *Jagirdars* contributed virtually nothing to the public exchequer. The land tenure policy followed by the Gorkhali rulers thus deprived the government of revenue from the most productive resource of the nation at that time.[1] It thus had important repercussions on the fiscal system. Taxes collected on sources not directly connected with the land were higher and more variegated than would have been the case had the revenue potentialities of land been fully exploited. Moreover, since large *Birta* owners, *Jagirdars* and other privileged classes paid no regular taxes to the government, the fiscal burden of the State rested primarily on the non-privileged classes such as peasants, workers, craftsmen and small traders.

Land grants and assignments, no doubt, enabled the government to maintain an enlarged administrative organization and an expanded military establishment without the use of much cash. But this did not mean that the administration and the army could be wholly run without money. There was need for increased expenditure on allowances and other perquisites of government employees and functionaries at different levels. The procurement and manufacture of arms and ammunition too required money. Moreover, military campaigns for territorial conquest, which continued long after the establishment of the new kingdom in 1768, entailed considerable monetary expenditure. While expansion in the east and the west involved only local conflicts, the 1788-93 wars with the Tibetans and the Chinese and the 1814-16 war with the British were major campaigns which caused a severe drain on the treasury.

Revenue Estimate

In the absence of adequate data, it is difficult to state precisely what amount of revenue the government of Nepal appropriated from tax and other sources during the period after political unification. In 1793, Kirkpatrick estimated the total annual revenue at between Rs 2.5 and 3 million. The breakdown was as follows :[2]

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[1] In the words of Kirkpatrick, "the Nepaul territories being for the most part parcelled out in Jaghires, the proportion of their produce received into the treasury of Khatmanda is by no means considerable." (Kirkpatrick, *op. cit.*, p. 210).

Export duties and profits on the sale of elephants ...	Rs 300,000	Rs 400,000
Mint, including duties levied on the import trade from Tibet[3]	Rs 700,000	Rs 800,000
Duties on salt, profits on salt-peter, copper and iron, land taxes ...	Rs 1,500,000	Rs 1,800,000
	Rs 2,500,000	Rs 3,000,000

These estimates appear to be exaggerated. Kirkpatrick has himself admitted that "it was not possible ... to ascertain with much exactness or minuteness the annual revenue realized by the government."[4] The contractual amounts which the government received in 1793-94 from the districts comprising the eastern Tarai, without providing for expenses, amounted to only Rs 244,104, as the following table will show:

Revenue From Eastern Tarai Districts, 1793

District		*Amount*
Morang	...	Rs 80,601[5]
Saptari and Mahottari	...	Rs 92,001[6]
Bara and Parsa	...	Rs 57,001[7]
Rautahat	...	Rs 14,501[8]
Total	...	Rs 244,104

The eastern Tarai was then the richest revenue-yielding territory in the possession of the government of Nepal, while the

western Tarai had not yet been annexed. It is therefore difficult to believe that this territory yielded only about 10% of the total revenue. A more realistic estimate might place the total revenue realized by the government of Nepal in 1793 at approximately Rs 500,000.[9]

The westward expansion of the frontiers during the last decade of the eighteenth century and the beginning of the nineteenth does not appear to have been important from the viewpoint of revenue. Kumaun, in 1805, contributed a net revenue of only Rs 14,001.[10] The regions farther west, such as Kulu, Kangra and Sirmur, which remained only for a brief period under Nepal's occupation, contributed nothing. Revenues from these areas were almost wholly spent on the salaries of military personnel stationed there and the purchase of arms and ammunition. The surplus, if any, was utilized to recruit additional troops.[11] The annexation of the western Tarai districts of Rupandehi and Kapilavastu led to some increase in revenue, but not to any appreciable extent.[12] Available evidence, therefore, would indicate that the annual revenue did not exceed Rs 800,000 on the eve of the Nepal-British war.

Financial Difficulties

It should be noted that according to Kirkpatrick's estimates the bulk of the revenue was derived from trade with Tibet and mining. Irrespective of the actual size of the revenues derived from these sources, their importance in the fiscal system of Nepal dwinlded considerably after 1773. The Nepal-China war led to the virtual stoppage of the Tibetan trade, at least for the time being, with disastrous effect upon revenue from this source. Revenue from mining also declined as copper, iron and other metals were increasingly diverted to meet the requirements of munitions factories.

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[2] Kirkpatrick, *op. cit.*, pp. 211-212.

[3] Kirkpatrick put revenue from these two sources under the same heading because "the returns from that country consist chiefly in gold and silver bullion." (Kirkpatrick, *op. cit.*, p. 212).

[4] *Ibid*, p. 210.

[5] The figures relate to 1794. *Appointment Of Subba Zorawar Khawas as Ijaradar In Morang*, Marga Sudi 6, 1851 (December 1794). (24/509).

[6] *Appointment Of Subba Sahadev Upadhyaya And Manikraj Khawas as Ijaradars In Saptari And Mahottari*, Kartik Sudi 15, 1848 (November 1791). (19/457).

[7] *Appointment Of Subbas Zorawar Khawas And Bharath Khawas as Ijaradars In Bara, Parsa And Rautahat*, Kartik Sudi 15, 1848 (November 1791). (19/457).

[8] *Ibid.*

[9] The exaggerated nature of Kirkpatrick's estimates is indicated also by the fact that annual revenue in 1861, after providing for local expenses, amounted to Rs. 3,109,181. Nepal, of course, had less territory in the Tarai in 1861 than in 1793, but the territory actually lost in 1816 had never yielded much net revenue. It should also be noted that in 1861 Nepal owned territory in the western Tarai which it did not have in 1793. Moreover, in 1861, the eastern Tarai districts contributed roughly 60% of the total revenue. It may be correct to assume that the percentage was more or less the same in 1793. (*Revenue and Expenditure of the Governemnt of Nepal*, 1918 (1861).

[10] *Appointment Of Subbas Ranakesar Pande And Gajakesar Pande as Ijaradars In Kumaun*, Ashadh Badi 9, 1860 (June 1803). (20/90). The figure refers to the net amount received after providing for local military and other expenses. The total revenue naturally was higher, but no information is available to indicate how much it amounted to.

[11] *Appointment Of Hastadal Shahi As Administrator In Kulu*, Aswin Sudi 2, 1862 (September 1805); (6/512); *Appointment Of Parashuram Thapa As Administrator In Sirmur*, Aswin Sudi, 2, 1862 (September 1805). (6/511); *Appointment Of Kaji Ambar Singh Thapa And Kaji Nain Singh Thapa As Administrators In Kangra*, Aswin Sudi 2, 1862 (September 1805). (6/515).

[12] The western Tarai territories of Sheoraj, Khajahani and Nawalpur yielded approximately Rs 55,000 in 1839. Itihas Prakash, *op. cit.*, Vol. 2, Book 2, pp. 182-193; *Appointment of Bali Newar As Ijaradar In Nawalpur*, Ashad Badi 11, 1896 (June 1838). (27/618). They could hardly have yielded more half a century previously.

The financial stringency created by the increased requirements of expenditure on the administration and the military was aggravated by the extravagance of the royal court. Prithvi Narayan Shah had wanted "a simple, even an austere government."[13] He wore homespun cloth and disliked imported fabrics. He wanted to discourage foreign dancers and musicians, because, among other things, they caused a drain of wealth.[14] But his successors seldom adhered to his precepts. The royal palace was crowded with wrestlers[15] and musicians[16] from India. The use of betel became popular[17] and considerable amounts of money were spent on such luxuries as brocade,[18] fine fabrics from Dacca[19] and gold utensils for the royal table.[20] Revenues from different sources were assigned to royal favorites[21]. Such extravagance might have been natural for the court life of a rapidly expanding empire, but the general poverty of the mass of the people presented a sharp contrast.

Internal political conflicts during the period from 1799 to 1805 further aggravated the financial difficulties of the government. In March 1799, King Ran Bahadur Shah abdicated in favor of his 1½ year old son, Girban Yuddha Bikram Shah, but tried to retain the administration under his control. A civil war thus appeared imminent. The situation was retrieved only when Ran Bahadur Shah left for Banaras in India in May 1800. He stayed there for nearly four years, returning to Nepal towards the end of 1803. No information is available regarding the total expenses incurred by Ran Bahadur Shah in Banaras, but there is evidence that they were considerable. Part of these expenses was met through a loan from the East India Company, but Ran Bahadur Shah also borrowed large sums from an Indian merchant[22]. Subsequently, the entire revenues from Saptari and Mahottari districts, which had amounted to Rs 92,001 annually during 1792-93,[23] were appropriated in settlement of the loans due to the Indian merchant from 1802 to 1804.[24] Revenues from Morang district, which had amounted to Rs 80,601 in 1793, were then appropriated both to repay the loans and provide for Ran Bahadur's current expenses in Banaras.[25] The situation eventually became so critical that in 1803 the government was forced to borrow money from the same Indian merchant even to meet its internal expenses.[26]

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[13] Stiller, *op. cit.*, p. 59.

[14] *Ibid*, p. 46.

[15] Cf. *Appointment Of Gosain Prasad Giri as Wrestler At Royal Palace*, Poush Badi 9, 1856 (December 1799). (24/14).

[16] Cf. *Promotion Of Kalawat Ghulam Reza Khan*, Falgun Sudi 15, 1856 (March 1800). (24/159); *Order Regarding Payment Of Salary To Kalawat Jivan Shah*, Poush Badi 12, 1856 (December 1799). (24/27). This musician, obviously an Indian, was paid a monthly salary of Rs 700.

[17] *Purchase Of Betel Leaves With Ijara Revenues Of Bara, Parsa And Rautahat*, Marga Sudi 10, 1856 (December 1799). (24/5); *Order Regarding Payment Of Salaries To Betel Makers At Royal Palace*, Marga Sudi 10, 1856 (December 1799). (24/5).

[18] *Purchase Of Brocade With Ijara Revenues Of Bara, Parsa And Rautahat*, Magh Badi, 9, 1856 (January 1800). (24/68).

[19] *Order To Subedar Mahabir Bisht To Visit Dacca And Purchase Cloths For Royal Palace*, Poush Sudi 12, 1864 (January 1808). (19/346).

[20] *Purchase Of Gold To Make Utensils For Royal Kitchen With Revenues From Kut Lands*, Bhadra Sudi 1, 1851 (September 1794). (24/356).

[21] *Payment Of Allowance From Ijara Revenues Of Patan*, Magh Sudi 7, 1856 (February 1800). (24/88).

Objectives Of Fiscal Policy

The maximization of revenue was the prime objective of official policy during this period. But the Gorkhali rulers sought to attain this objective as far as possible without alienating the people. Local administrators were accordingly directed "to take whatsoever is paid willingly by the people"[27] and not to increase tax assessment rates.[28] Moreover, the government also instructed them not to treat the ryots unjustly or harass them, but to insure justice and keep them happy and satisfied.[29] At times it even acquiesced to revenue concessions if its territorial acquisitions could thereby be consolidated.[30] But otherwise it strongly disfavored any action which tended to affect its revenue adversely. A single instance is sufficient to highlight the attitude of the government towards the peasantry when tax delinquency was involved. In 1794, officials deputed to collect land taxes in different parts of the country reported that the cultivators had become impoverished and had therefore defaulted in payments. The government, instead of taking measures to alleviate their lot, sanctioned the appointment of peons to seize the defaulters, impound the lands allotted to them and thus recover the arrears.[31]

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[22] Chittaranjan Nepali, *King Ran Bahadur Shah*, pp. 68-69 and 138-139.

[23] *Appointment Of Subba Sahadev Upadhyaya And Manikrai Khawas as Ijaradars In Saptari And Mahottari*, Kartik Sudi 15, 1848 (November 1791). (19/457).

[24] An agent of the Indian merchant was therefore given a contract for revenue collection in Saptari and Mahottari districts. *Order Regarding Appointment Of Harikrishna Das As Ijaradar In Saptari And Mahottari* Magh Sudi 9, 1859 (February 1803). (20/3); *Revenue Regulations For Saptari And Mahottari In The Name Of Subba Dadhiram Padhya Through Sahu Harikrishna Das*, Aswin Badi 30, 1859 (September 1802). (24/626).

[25] Chittaranjan Nepali, *King Ran Bahadur Shah*, p. 138; *Order To Subba Shrikrishna Padhya And Other Officials In Morang Regarding Remittance Of Funds To Sahu Harikrishna Das*, Jestha Sudi 15, 1859 (June 1802). (24/545); *Order To Subbas Dasharath Khatri And Gajsing Khatri Regarding Remittance Of Funds To Ran Bahadur Shah in Banaras*, Magh Sudi 9, 1859 (February 1803). (20/6).

[26] *Letter To Sahu Dwarika Das Regarding Ijara Grant To Sahu Harikrishna Das For Revenue Collection In Saptari And Mahottari Districts*, Magh Sudi 9, 1859 (February 1803). (20/2).

[27] *Pallokirat Administrative Regulations*, Chaitra Sudi 13, 1853 (April 1797). (25/342). Section 2.

[28] Cf. *Administrative Regulations For Doti*, Jestha Sudi 14, 1856 (June 1799). (24/711). Section 2.

Sources Of Revenue

We shall now discuss the main sources from which the government of Nepal derived revenue during this period. These sources may be classified as land and homestead taxes, including special levies imposed from time to time, customs, transit and market duties, mines and mints, the export of forest produce, birds and animals, and monopolies. Judicial fines, because of their importance in the fiscal system of Nepal at that time, will also be discussed in this chapter. However, it will be more appropriate to discuss land tax, which forms part and parcel of the peasant's medley of obligations, along with other agrarian problems in Chapter 5.

Birta And Kipat Taxes

Although the government of Nepal took measures from time to time during this period to confiscate *Birta* lands, it also left several *Birtas* unconfiscated, or restored confiscated *Birtas* subsequently for various reasons. A number of tax and other obligations were imposed on *Birta* owners whose lands were reconfirmed in this manner. The Gorkhali government faced a dilemma in the field of *Birta* land tenure policy. Its social, political and administrative structure was based on the system of *Birta* land grants. It could hardly afford, therefore, to abolish the system entirely or corrode its authority by following a general policy of confiscating grants which were backed by valid documentary evidence. At the same time, it did not relish a situation in which lands remained tax-exempt because of such considerations.

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[29] Cf. *Order To Subba Dasharath Khatri Regarding Complaints Of Ryots Of Bara And Parsa*, Poush Sudi 5, 1865 (January 1801). (36/209).

[30] Cf. *Regulations For Bheri-Jamuna Region*, Kartik Badi 2, 1867 (November 1810). (30/449). Section 5.

[31] *Appointment Of Peons For Collection Of Kut Revenue*, Kartik Sudi 5, 1851 (November 1794). (24/487).

This dilemma was sought to be resolved by taxing selected categories of *Birta* lands.

The *Pota* tax was first imposed in 1772 on *Birta* lands in Kathmandu Valley which had escaped confiscation[32] The rates of this tax were much below the rate of rents on *Raikar* lands. There is no evidence, however, that this tax was imposed outside Kathmandu Valley. Another levy, called *Kusahi-Bisahi*, was collected from *Birta* owning Brahmans and Sanyasis in consideration of the confirmation of their lands[33] in the western regions which had been annexed during the period from 1782 to 1789.[34] The rates ranged from Rs 9 to Rs 14 per 20 muris of land[35] and thus appear to have approximated the value of two years' rents on the land.[36] In fact, there is evidence that the rates were intended to be confiscatory. Regulations promulgated in 1787 thus prescribed that *Birta* owning Brahmans should be permitted to relinquish their lands and thereby avoid their *Kusahi-Bisahi* obligations if they so wanted. Moreover, arrangements were made in these regulations to accept payment in the form of household utensils, gold and silver also.[37] This indicates that the levy was expected to be paid from the property of the *Birta* owner, not from the income he appropriated from the concerned land. This conclusion is substantiated by the fact that in Kumaun, *Birta* owning Brahmans were able to retain their lands only by making payment in installments.[38] Elsewhere, there is evidence that collections had not been completed even by 1803, nearly 16 years after the imposition of the levy.[39] As such, it is probable that not much revenue was actually collected from it in cash.

A similar policy was followed with regard to *Kipat* lands. In Pallokirat, a system of land taxation is said to have been in existence even during the middle of the seventeenth century under which, according to the traditional Limbu system, one-tenth of the produce of the land was paid as tax to the chieftain.[40] Taxation of *Kipat* lands reportedly continued after the area came under the control of kings of the Sen dynasty,[41] which was dethroned by the Gorkhalis in 1774. However, Prithvi Narayan Shah is said to have refrained from imposing any taxes on *Kipat* lands in Pallokirat. A system of assessing taxes on each *Kipat* owning family was first introduced in 1782. In consideration of this payment, the government relinquished its right to impose any other tax on the Limbu community, although it resumed revenue from judicial fines of certain categories in 1795.[42] The gradual entrenchment of Kathmandu's authority, particularly after the 1792-93 Nepal-China war, appears to have resulted in a progressive increase in and diversification of the tax system.[43] Taxes were collected from each member of the Limbu community who owned a homestead, regardless of the actual area of *Kipat* lands owned by him. Accordingly, the burden of these taxes was higher on poorer Limbus than on those who owned extensive lands.

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[32] *Order Regarding Payment Of Pota Taxes In Patan*, Poush Sudi 15, 1839 (January 1783). 5/626).

[33] *Notification Regarding Particulars of Birta Lands For Assessment Of Kusahi-Bisahi Levy In The Western Hill Region*, Falgun Sudi 2, 1842 (March 1786). (25/32).

[34] *Kusahi-Bisahi Regulations*, Shrawan Badi, 30, 1844 (July 1787). 5/676); *Order Regarding Rates Of Kusahi-Bisahi Levy In The Western Hill Region*, Baisakh Badi 8, 1843 (April 1786). (25/71).

[35] *Ibid*.

[36] Thus in Bhirkot, in 1797, rent was assessed at Rs 5 per 20 muris of land, and Kusahi-Bisahi tax at Rs 11. *Order To Birta Owners In Bhirkot Regarding Payment Of Kusahi-Bisahi Levy*, Bhadra Badi 1, 1854 (August 1797). (25/557).

[37] *Kusahi-Basahi Regulations*, Shrawan Badi 30, 1844 (July 1787). (5/676)

[38] *Order Regarding Collection Of Kusahi-Bisahi Levy In Kumaun*, Ashadh Badi 9. 1860 (June 1803). (5/405).

[39] *Order Regarding Collection Of Kusahi-Bisahi Arrears In Western Hill Region*, Ashadh Badi 9, 1860 (June 1803). (5/405).

Other Taxes And Levies

A complete enumeration of the different taxes and levies collected from the people during this period would be an arduous task in view of their multiplicity and the obscure nature of several of them. Nor is such an enumeration necessary in the present context, for many of theses taxes and levies were not of much significance from the revenue viewpoint. Moreover, several levies were collected only in specified areas, with the result that they do not merit much attention in a discussion of the national fiscal system. We shall therefore limit our discussion to taxes and levies which were collected generally all over the country, and, as such, made a sizeable contribution to the exchequer. Such taxes and levies were usually collected at three different levels, royal palace, governmental and local. Royal palace levies were collected to finance the occasional and ceremonial needs of the royal palace. The proceeds of government taxes were utilized for administrative, military and other State purposes. Local levies, on the other hand, were collected exclusively as the perquisites of local officials and functionaries, as well as mendicants of different religious orders.

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[40] Iman Singh Chemjong, *Kirat Itihas*, Gangtok (Sikkim): the author, 1952, p. 26.

[41] D. R. Regmi, *Modern Nepal*, p. 38.

[42] *Order Regarding Fiscal Obligations Of Limbus In Pallikirat*, Bhadra Badi 13, 1852 (August 1795). (40/442).

[43] Mahesh C. Regmi, *op. cit.*, Vol. III, p. 105.

Royal Palace Levies

Levies, called *Walak*, were collected from each family for the requirements of the royal palace.[44] These levies were of three categories, only one of which was collected on a regular basis. The other two categories were collected in periods of national celebration or mourning,[45] or on festive and ceremonial occasions. These levies probably date back to a period when the relationship between the peasant and the chieftain of the principality was primarily one between tenant and landowner, rather than between sovereign and subject. Their form resembled more a tribute than fiscal obligations. Regular *Walak* levies were collected twice a year in cash, as the commuted value of goats, boar, ghee or oil from *Birta* owners and village headmen. The rates paid by common people, as well as of the non-recurring *Walak* levies mentioned above, were 50% lower. Payment of these non-recurring levies was permitted also in kind, but the taxpayers were required to bring these commodities personally to the royal palace if they did so.[46]

Walak levies meant for use by the royal palace were imposed on each homestead according to the status of the occupant. However, other royal palace levies were not assessed on a single basis in this manner. The *Gadimubarak*, which was collected to finance the expenses of the coronation ceremony when a new king ascended the throne, was assessed on multiple bases for different classes and categories of people. In the hill regions, this levy was collected from landowners according to the area of lands held by them and from traders according to the scale of their enterprise. The headmen of such communities as blacksmiths, leather-workers and tailors paid at rates based on their status, but specific rates were imposed in the case of team-leaders of mine workers, local functionaries and members of certain occupational castes. The common people paid the levy at rates assessed in such homesteads according to their economic status.[47] In the Tarai and the inner Tarai, the system was simpler, as the rates were based on a specified percentage of land and other taxes, emoluments of local functionaries and *Birta* incomes.[48]

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[44] *Order Regarding Appropriation Of Walak And Other Revenues From Lamjung And Elsewhere*, Ashadh Badi 10, 1848 (June 1791). (5/44).

[45] *Order Regarding Collection Of Walak Levies In Thecho And Elsewhere*, Falgun Badi 13, 1863 (March 1807). (5/136).

[46] *Order Regarding Imposition Of Walak Levies In Different Areas*, Ashadh Badi 9, 1860 (June 1803). (5/389-91).

[47] *Imposition Of Gadimubarak Levy In Central And Western Hill Regions*, Baisakh Sudi 7, 1859 (May 1802). (1A/152); *Imposition Of Gadimubarak Levy In Bhadgaun*, Falgun Sudi 13, 1851 (March 1795). (1A/189).

[48] *Imposition Of Gadimubarak Levy In Chitaun*, Falgun Sudi 13, 1851 (March 1795). (1A/191).

A similar multiplicity of assessment bases characterized other royal palace levies such as the *Chumawan*[49] and the *Goddhuwa*,[50] which were collected to finance the sacred thread investiture and marriage ceremonies of royal princes and princesses respectively, and the *Godan*, the proceeds of which were used to finance funeral expenses when a reigning king died.[51] In addition, special levies were frequently imposed on a local or countrywide basis to meet the occasional requirements of the palace for commodities or cash. Thus in 1805 every house-hold in Kathmandu town and 57 adjoining villages was ordered to supply one load of fuelwood every year, or, in default, pay a quarter rupee as fine, for religious ceremonies and the preparation of medicines at the royal palace.[52] Similarly, a cash levy was imposed on a countrywide basis in 1804-6 to finance the repayment of debts incurred by ex-King Ran Bahadur during his four-year exile in India.[53] It will be incorrect, however, to assume that the proceeds of these levies were always spent for the specific purpose for which they were collected. Thus in 1810, the proceeds of the *Chumawan* levy in Kumaun were used to pay salaries to local military personnel.[54]

Royal palace levies, with the exception of *Walak*, possessed two outstanding characteristics: they were broad-based as well as progressive. They did not exempt high-ranking government officials and members of the nobility, or spare even landless peasants. Moreover, they made a rough attempt to fix rates according to income and social status. The levy imposed in 1804-6, as mentioned in the preceding paragraph, thus amounted to Rs 200 in the case of the chief administrator of a district, while the lowest class of landless peasant paid only one-eighth of a rupee.[55]

Governmental Levies

In contradistinction to royal palace levies, those that were

meant to meet governmental expenses were generally assessed on different categories of official functionaries and other people or on a regional basis. A levy, called *Darshan-Bhet*, was thus collected from both civil and military employees at the time of their appointment and confirmation.[56] Local revenue collection functionaries in the Tarai were under obligation to make an annual payment, called *Salami*.[57] Fees were collected also from the people affected on a regional or communal basis whenever any new law or regulation was promulgated.[58] In the eastern Tarai districts, governmental levies included those imposed on persons following different occupations, such as barbers, black-smiths, curd-vendors, oilmen, mid-wives and shopkeepers, on marriages, and on the use of such communal facilities as forests and sources of water.[59] Hunters and members of communities which customarily consumed the flesh of dead cattle were obligated to supply one hide or skin every year for the use of military arsenals, but this was later commuted to a cash payment. Leather-workers paid two hides or skins every year.[60]

In view of the large number of *Birta* land grants made during this period, fees collected on copper inscriptions issued to record them must have yielded a sizeable amount of revenue, even though on a one-time basis.[61] Fees collected on transactions in *Birta*, *Guthi* and *Kipat* lands also yielded some revenue.[62]

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[49] *Order Regarding Rates Of Chumawan Levy In Saptari*, Aswin Sudi 15, 1837 (September 1790). (5/583).

[50] *Imposition Of Goddhuwa Levy In Bara And Parsa*, Chaitra Badi 2, 1860 (March 1804). (5/462).

[51] *Imposition Of Godan Levy In Saptari And Mahottari*, Marga Sudi 11, 1863 (December 1806). (5/110).

[52] *Imposition Of Fuelwood Levy In Kathmandu*, Kartik Sudi 14, 1862 (November 1805). (6/649).

[53] Chittaranjan Nepali *King Ran Bahadur Shah*, pp. 139-141; *Imposition Of Salami Levy In Garhwal*, Chaitra Badi 8, 1863 (March 1807). (5/151).

[54] *Allocation Of Chumawan Revenues For Payment Of Salaries*, Shrawan Badi 4, 1867 (July 1810). (39/278).

[55] *Imposition Of Salami Levy In Garhwal*, Chaitra Badi 8, 1863 (March 1807). (6/151).

[56] *Receipt For Darshan-Bhet Revenues From Palpa*, Jestha Badi 6, 1887 (May 1830). (54/14).

[57] *Appointment Of Bhimkhyal As Chaudhari In Koradi, Mahottari District*, Marga Sudi 2, 1838 (November 1781). (5/621).

[58] Cf. *Regulations For Collection Of Salami Levy From Magars In The Western Hill Region*, Marga Badi 14, 1873 (November 1816). (36/319); *Prohibition On Magars In Salyan To Eat Flesh Of Dead Cattle*, Bhadra Badi 4, 1891 (August 1834). (1/515).

[59] *Confirmation Of 1793 Tax Assessment Rates In Mahottari*, Kartik Sudi 10, 1866 (November 1809). (40/112).

[60] Cf. *Collection Of Hides And Skins Levy In Eastern Hill Region*, Ashadh Badi 4, 1874 (June 1817). (43/6); *Collection Of Hides And Skins Levy In The Western Hill Region*, Bhadra Sudi 1, 1860 (August 1803). (5/745); *Procurement Of Skins From Sarkis In Bara, Parsa And Rautahat*, Marga Badi 3, 1875 (November 1818). (42/436). Exemption from this levy was granted to communities who "join the army, respect Brahmans and do not take the flesh of dead cattle." *Regulations For Punishment Of Lamas And Gurungs*, Poush Badi 12, 1867 (December 1810). (38/696).

[61] *Rates Of Fees For Copper Plate Inscriptions*, Chaitra Sudi 12, 1863 (April 1807). (5/157).

[62] *Order Regarding Collection Of Fees On Land Transactions And Other Matters*, Ashadh Badi 9, 1860 (June 1803). (5/404); *Land Transactions In Kathmandu*, 1839 (1782). (5/647).

Local Levies

This bewildering picture of Nepal's fiscal system during the eighteenth and nineteenth centuries was further complicated by the taxes and levies that were collected by local functionaries at different levels, from the chief district administrator[63] to the village headman. In the hill regions, levies were collected from peasants for use by village headmen during festivals or on ceremonial occasions. After the new crop was harvested, a load of grain was usually due to the village headmen.[64], Members of the Majhi, Kumhale, Darai, Danuwar, Newar, Kushle, Tharu, Hayu, Sunuwar, Chepang and certain other communities paid a levy every year to mendicants belonging to different sects[65], including Muslims. In the eastern Tarai districts, every village paid a levy partly in cash and in kind, to the local Kotwal or police chief.[66] In addition, a levy was collected on lands or villages for the local *Chaudhari*, *Kanugoye* or *Mokaddam*.[67] Local *Zemindars* were entitled to a share in the proceeds of the taxes on marriages and on the use of communal facilities such as forests and sources of water.[68] In addition, ryots were required also to finance religious ceremonies to propitiate the village god, land settlement operations and the cost of stationery and furniture used by local administrative offices.[69]

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[63] *Abolition Of Subba-Salami Levy In Pyuthan*, Falgun Badi 12, 1854 (March 1798). (23/294); *Reimposition Of Subba-Salami Levy In Pyuthan*, Marga Badi 3, 1856 (November 1799). (23/503); *Tax Exemptions On Birta Lands Of Khajanchi Udaya Giri In Mahottari*, Falgun Sudi 1, 1863 (March 1807). (5/137).

[64] Cf. *Appointment Of Mijhars Of Sunars And Other Communities*, Ashadh Sudi 7, 1864 (July 1807). (20/429); *Tax Remissions For Bosi Workers In Swanagaun*, Baisakh Badi 2, 1850 (April 1793). (5/272).

[65] *Imposition Of Jogi Mandali Levy On Mahis In Eastern Hill Region*, Poush Badi 14, 1847 (December 1790). (5/36); *Assignment Of Mahantmandali Revenues To Bhagawant Nath*, Baisakh Sudi 11, 1839 (May 1782). (5/651); *Imposition Of Fakirana Levy In Kathmandu*, Chaitra Badi 5, 1848 (March 1792). (5/71).

[66] *Appointment Of Bhushan As Kotwal In Bara, Parsa and Rautahat*, Jestha Sudi 6, 1867 (May 1810). (39/214): According to the 1793 *Saptari-Mahottari Administrative Regulations*, "*A Kotwal* shall be appointed in Mahottari too to apprehend thieves and dacoits. Ryots shall pay their emoluments at rates current in Saptari district. Waste lands shall be granted as *Jagir* to such *Kotwal*." *Saptari-Mahottari Administrative Regulations*, Marga Sudi 11, 1850 (December 1793) (5/261), Section 23.

[67] Cf. *Restoration Of Mamuli Levy Appropriated by Mandars In Morang*, Kartik Badi 5, 1851 (November 1794). (5/291); *Order Regarding Tax Assessment Rates In Navrangiya And Elsewhere In Bara*, Bhadra Badi 12, 1848 (August 1791). (19/447); *Order Regarding Emoluments Of Chaudharis In Tarai Areas Of Salyan*. Chaitra Sudi 5, 1868 (March 1812). (40/413).

[68] *Confirmation Of 1793 Tax Assessment Rates In Mahottari*, Kartik, Sudi 10. 1866 (November 1809). (40/112).

[69] *Ibid.*

Commercial Taxes

Customs, transit and market duties and levies on the manufacture of different commodities constituted another important source of State revenue. A contract for the collection of customs duties on all exports and imports in Kathmandu Valley and the western hill region, including transit duties at different outposts, fetched Rs.36,001 in 1805[70] and Rs 41,0001 in 1806.[71] It included levies on dyers and printers of cloth and manufacturers of vermilion in Kathmandu and Patan, fees for stamping metal utensils exported to Tibet and textiles imported from India or Tibet, taxes and levies collected from the Newar community and a monopoly in the trade in gur, cardamom and borax. The trade in cotton was a government monopoly which was given out on contract. People were required to sell cotton only to the contractor who was, in addition, authorized to collect transit duties on this commodity. Transit duties on ginned cotton[72] fetched Rs 15,651 in 1805.[73]

Sales tax was collected in the eastern Tarai districts on transactions in commodities other than those in transit to or from Kathmandu Valley at the rate of 1% of the value from both the seller and the purchaser.[74] Goods liable to sales tax included those imported from abroad or meant for export, as well as such indigenous products as metals, herbs and drugs, cardamom, cotton and paper. Foodgrains, oilseeds, ghee, oil, goats and other essential commodities, and goods procured for the royal kitchen, were exempt, however.[75] The tax was abolished some time after 1798, possibly because of the difficulties of collection. But it was revived in 1805 in the entire central and eastern hill region. The Tarai region remained outside the ambit of this measure, as well as the newly-acquired territories of Palpa, Gulmi, Argha and Khanchi. The basis of assessment and rates were also changed. The tax was now collected at specific rates only from the seller. Goods subject to this tax included jewelry, textiles, falcons, horses and elephants, homespun cloth, yarn, blankets, borax and wax, copper, iron, paper, tobacco,.

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[70] *Ijara Grant To Shyam Sunder Newar For Collection Of Customs Duties*, Marga Sudi 5, 1860 (December 1803). (19/158).

[71] *Ijara Grant To Mahendra Singh Newar For Collection Of Jagat And Other Duties*, Shrawan Sudi 14, 1862 (August 1805). (6/308).

[72] *Ijara Grant To Harihar Singh For Collection Of Kapas-Bhansar. Duties*, Magh Sudi 12, 1860 (February 1804). (5/456).

[73] *Ijara Grant To Shyam Sundar Newar For Collection Of Kapas-Bhansar Duties*, Bhadra Badi 1, 1862 (August 1885). (6/505).

[74] *Revenue Regulations For Eastern Tarai*, Falgun Badi 5, 1855 (February 1799). (24/703). Section 7.

[75] *Chhote Singh Newar Granted Authority To Collect Nirkhi Tax*, Shrawan Badi 3, 1855 (July 1798). (24/654).

herbs and drugs, cotton, salt, yaks' tails, musk, sheep and goats.[76] A contract for the collection of this tax fetched Rs 15,001 in 1805,[77] Rs 17001 in 1816[78] and 18001 in 1818.[79]

Mines And Minting

Copper, iron and lead mines in different parts of the country, particularly Baglung and other areas in the western hill region, traditionally yielded considerable revenue through exports. Kirkpatrick reported that revenue from copper mines had once amounted to between Rs 300,000 and Rs 400,000.[80] But the increased local consumption of copper for the minting of coins and the manufacture of munitions reduced the quantity available for export. Consequently, copper mines were exploited primarily with the objective of maximizing production rather than revenue.[81] In 1793, revenue from copper mines had declined to between Rs 80,000 and 100,000.[82] Around 1803, the government even assumed a monopoly in the procurement of such metals as copper and lead and imposed a ban on their export.[83] As a result of such policies, mines were of relatively minor significance as a source of monetary revenue, particularly after the beginning of the nineteenth century.

According to Kirkpatrick, traders who imported silver from Tibet for commercial purposes were under obligation to take it to the Mint and have it converted into coins. The Mint charged a 4% fee on such coinage, in addition to an 8% profit by mixing alloy with the silver.[84] Fees were similarly charged on the conversion of copper into coins,[85] but there is no evidence that any alloy was mixed.

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[76] *Order Regarding Imposition Of Nirkhi Tax*, Bhadra Badi 9, 1862 (August 1805). (19/227).

[77] *Ijara Grant To Mahendra Singh Newar For Collection Of Nirkhi Tax*, Bhadra Badi 9, 1862 (August 1805). (19/229).

[78] *Ijara Grant To Hanumant Singh For Collection Of Nirkhi Tax*, Bhadra Badi 5, 873 (August 1816). (36/302).

[79] *Ijara Grant To Kulanand Jha For Collection Of Nirkhi Tax*, Bhadra Badi 2, 875 (August 1818). (42/352) 1875.

[80] Kirkpatrick, *op. cit.*, p. 212.

[81] Cf. *Gajendra Thapa Granted Authority To Exploit Mineral Deposits In Bhumlichok (Gorkha)*, Ashadh Sudi 1, 1861 (June 1804). (2/87); *Ijara Grant To Jasraj For Operation Of Mines*, Chaitra Badi 4, 1863 (March 1807). (5/145).

[82] Kirkpatrick, *op. cit.*, p. 212.

[83] *Order Regarding Collection Of Fees On Land Transactions And Other Matters*, Ashadh Badi 9, 1860 (June 1803). (5/404); *Regulations In The Name Of Kapardar Dhan Singh Ojha*, Baisakh Badi 5, 1860 (April 1803). (5/368). Section 15.

[84] Kirkpatrick, *op. cit.*, p. 212.

[85] *Order Regarding Fees For Minting Coins*, Shrawan Badi 6, 1848 (July 1791). (5/69).

Forests

Revenue from the forests of the Tarai during this period was derived primarily from the collection of duties on timber exports. The timber trade, at least in Morang district, was largely in the hands of Indians, who were permitted to sell and export timber without any restriction, subject only to the payment of duties. According to Buchanan, in Morang district in 1819,[86]

> ...on 644 rupees value the real return to Nepal consists of 120 rupees given to the wood-cutters, and 97 rupees paid for duties in all 217 rupees; but to this we must add the provisions sold both for men and beast, which may bring the whole to 300 rupees on 644.

As regards the rate of duties and Morang's total revenue from the timber trade, he adds:[87]

> A duty of four rupees on each boat loaded with timber is taken by the government of Nepal, and may amount to 6000 rupees a year, which with 1500 rupees duty on the carts can be well afforded, as the only price given for the timber to the owner of the soil. Some more exactions ... are made, which will probably increase the amount of the duties to 10,000 rupees.

Efforts were made also to promote the export of such forest products and wild life as herbs and drugs, catechu, wax and musk, falcons and other birds and elephants. No information is available to indicate the relative importance of each source, however. But while only duties were collected on the export of other items, elephants were disposed of on governmental account. They may have constituted a more important source of revenue, since the wild elephants were captured through the compulsory and unpaid labor of the local people.[88] Local administrators were directed to increase revenue through the sale of elephants.[89] However, in an effort to maximize revenue, the government at times adopted practices which had just the opposite effect. Thus, according to one account;[90]

> The Raja reserves to himself the sole right of catching the elephants, and annually procures a considerable number. They are sold on his account at 200 mohurs or 86 rupees, for every cubit of their height, but five cubits of the royal measures are only six English feet. As few merchants are willing to give this price for elephants which have not been seasoned, the Raja generally forces them on such persons as have claims on the court, who sell the elephants in the best manner they can.

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[86] Buchanan, *op. cit.*, p. 565.

[87] *Ibid.*, p. 569.

[88] *Exaction Of Jhara Labor In Chainpur And Elsewhere For Capturing Wild Elephants*, Marga Badi 11, 1853 (November 1796). (23/176).

[89] Local administrators in Kumaun in 1859 were directed to sell elephants and transmit the proceeds to Kathmandu after retaining Rs, 14,000 to finance expenses incurred in capturing and taming wild elephants. *Order To Subba Rudravir Shah Regarding Sale Of Elephants In Kumaun*, Shrawan Badi 1, 1859 (July 1802). (24/561).

[90] Hamilton, *op. cit.*, p. 63.

Falcons were another important source of revenue in the north-western hill districts. In Jumla, local administrators caught falcons, exported them to India and transmitted the proceeds to Kathmandu. After 1807, however, the local people were permitted to catch these birds and sell them on payment of prescribed duties.[91]

Judicial Fines

The administration of justice implies the right to collect fines from offenders. There was thus a premium on apprehension and conviction, and on punishment in the form of fines and enslavement. Moreover, in the absence of codified law, it was difficult to define the circumstances in which cognizable offenses were to be deemed to have been committed. According to Brian H. Hodgson,[92]

> 'It is in Nepal alone, of all Hindu States, that two-thirds of the times of the judges is employed in the discussion of cases better fitted for the confessional, or the tribunal of public opinion, or some domestic court, such as the Panchayat of brethren or fellow-craftsmen, than the king's court of justice.'

The right to dispense justice was thus almost synonymous with the right of "penetrating into every act of life." This was the right that military officers and land owners and revenue contractors enjoyed in the early years after political unification, when the king's courts of justice were non-existent over large areas of the rapidly expanding kingdom. As Brian Hodgson wrote in 1834, "Judicial administration follows revenue administration in Nepal."[93] It became a function not of the State but of *Birta* owners, *Jagirdars* and revenue collection officials and functionaries at different levels. Contractors offered higher bids than the actual revenue potential of the territory placed under their jurisdiction merely because the position conferred the right to dispense justice, or, more accurately, the right to collect fines from offenders. Justice, in the hands of such judges, became only one of several ways in which they could extort money from and enslave the people. Revenue collectors who functioned as judges often imposed fines arbitrarily to enrich themselves. A royal order addressed to the inhabitants of Dolakha in 1807 noted that local officials collected fines from the

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[91] Chittaranjan Nepali, *Janaral Bhimsen Thapa Ra Tatkalin Nepal*. (General Bhimsen Thapa and Contemporary Nepal). Kathmandu: Nepal Samskritik Sangh, 2013 (1956), p. 195.

[92] Brian H. Hodgson, "On The Law And Legal Practice Of Nepal, as regards Familiar Intercourse between a Hindu and an Outcast." *The Journal Of The Royal Asiatic Society Of Great Britain And Ireland*, Vol. I, 1834, p. 47.

[93] Brian H. Hodgson, "Some Account Of The Systems Of Law And Police, as recognized in the State of Nepal." *The Journal Of The Royal Asiatic Society Of Great Britain And Ireland*, Vol. I, 1834, p. 275.

people even in the absence of complaints and without obtaining a confession.[94] Such officials in different parts of the country were therefore repeatedly instructed to award punishment only after the accused person was given a hearing.[95]

During the period after political unification, the government of Nepal tried to enforce traditional Hindu regulations relating to caste and sex and cow slaughter in different parts of the country. It may be incorrect to maintain that such regulations were enforced with an eye to revenue, but the contribution they made to the exchequer can hardly be ignored. An annual expiatory fine was imposed to enforce the ban on cow slaughter.[96] In 1805, officials deputed to Bhadgaun to enforce the ban were ordered not to make any delay in finalizing measures "which will fetch a revenue of Rs 12,000 or Rs 15,000,"[97] On another occasion, the same officials were warned: "You only report that you have collected fines (from persons guilty of cow slaughter) but do not remit the proceeds."[98]

Prithvi Narayan Shah had insisted that judicial income should not be allowed to enter into the royal palace,[99] but such self-denial was seldom actually practised. In fact, income collected as fines from persons guilty of crimes which were considered particularly heinous was specially reserved for the royal palace.[100]

Illegal Exactions And Lack Of Revenue Records

In the foregoing paragraphs, we have discussed how the government of Nepal attempted to specify the nature and rates of various taxes and levies collected in different parts of the country. The objective of these attempts was not merely to insure revenue stability. Of equal importance was the concern that local administrators might make arbitrary collections from the people in the absence of specific orders regarding the categories and rates of payment. But the collection of unauthorized taxes and levies constituted a chronic problem in all parts of the country. Most officials who were given any position of responsibility in revenue collection or other administrative fields misused their office to extort whatever they could from the people. Complaints regarding the collection of unauthorized levies were received repeatedly from almost all parts of the country.[101] Officials were often deputed to inquire how much money had been collected from the ryots, how much had been transmitted to the government, and how much had been misappropriated since the beginning of Gorkhali rule. This indicated that, in addition to the collection of unauthorized levies, misappropriation of revenue collection proceeds too had become rampant.[102] Nor is there any evidence to indicate that areas more contiguous to the capital were immune from this evil. Even Bhadgaun, situated only 6 miles from Kathmandu, suffered from the rapacity of tax collectors.[103] We can assume that a similar situation prevailed in Kathmandu as well.

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[94] *Order Regarding Ex Parte Judgments Made By Local Officials In Dolakha*, Magh Sudi 2, 1863 (February 1807). (5/129).

[95] Cf. *Order Regarding Disposal Of Cases In Thak*, Falgun Sudi 2, 1863 (March 1807). (5/172); *Order Regarding Judicial And Other Matters In Khumbu*, Marga Sudi 12, 1853 (December 1796). (23/175); *Order To Subba Of Jumla Regarding Disposal Of Cases*, Magh Badi 3, 1871 (January 1815). (24/633).

[96] *Imposition Of Chokho-Danda Fine For Cow Slaughter In Solukhumbu*, Baisakh Sudi 8, 1863 (May 1806). (6/769).

[97] *Imposition Of Fines For Cow Slaughter In Bhadgaun*, Kartik Badi 14, 1862 (November 1805). (6/132).

[98] *Instructions To Yagnya Nidhi Tiwari And Others Regarding Punishment For Cow Slaughter In Solukhumbu*, Aswin Badi 13, 1862 (September 1805). (6/490).

[99] Dibya Upadesh, *op. cit.* p. 26.

[100] *Appointment Of Chautariya Dalamardan Shah As Ijaradar In Bara And Parsa*, Ashadh Sudi 6, 1843 (July 1786). (25/146); *Order Regarding Appropriation Of Walak Revenues From Lamjung And Elsewhere*, Ashadh Badi 10, 1848 (June 1791). (5/44).

To some extent, the evils of arbitrary tax collection stemmed from the lack of systematic tax assessment records. The Malla dynasty is said to have handed down to the Gorkhali rulers a system of land registration which could compare favorably to those in effect in areas under British rule. But this system was confined to Kathmandu Valley. Even this system seems to have broken down completely after the political unification. The reasons for such breakdown are not hard to find. In the confused, turbulent period following political unification, little attention appears to have been paid to maintaining these records on a current basis. In these circumstances, it was hardly possible to extend the system to new territories annexed by Gorkha. The result was that the government had virtually no records to show the nature or amount of taxes and levies being collected in different parts of the country. In 1786, officials had to be deputed to the principalities of Lamjung and Tanahu, annexed by Kathmandu in 1778, to conduct inquiries

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[101] Cf. *Order Regarding Complaints Of People Of Doti*, Marga Sudi 3, 1866 (November 1809). (40/145); *Order Regarding Exaction Of Begar Labor And Collection Of Unauthorized Levies In Saptari And Mahottari*, Chaitra Sudi 5, 1869 (April 1813). (40/403).

[102] Cf. *Notification Regarding Scrutiny Of Accounts Of Tax Collections In Lamjung And Tanahu*, Shrawan Sudi 11, 1862 (August 1805). (19/219); *Arrangements For Scrutiny Of Accounts Of Tax Collections In Doti, Kumaun And Other Areas*, Jestha Sudi 5, 1862 (June 1805). (20/175-179); *Order Regarding Refundment Of Unauthorized Tax Collections In Bheri-Garhwal Region*, Poush Sudi 2, 1868 (December 1811). (40/328); *Order Regarding Complaints Of Illegal Taxation In Chainpur*, Ashadh Badi, 1856 (June 1799). (23/338).

[103] *Order Regarding Scrutiny Of Accounts Of Tax Collections In Bhadgaun*, Bhadra Badi 1, 1862 (August 1805). (19/222).

into tax collections made since then.[104] Similar measures were taken in 1805 also.[105] Another reason why the system of land registration broke down after the Gorkhali conquests was the increasing reliance placed on *Jagirdars*, contractors and other functionaries to collect land and other revenues. The government was interested primarily in insuring that the stipulated amount of revenue was obtained from any particular area, but it was not directly concerned with how the burden was shared by each cultivator. The problem was aggravated by the replacement of officials who had functioned under the displaced regimes by newcomers from Gorkha and other areas in the western hill region.

The administrative confusion which resulted from these measures is well illustrated by the history of the collection of the *Pota* tax in Kathmandu Valley during the period from 1782 to 1805. In 1782, tax payers in Kathmandu Valley were directed to submit evidence of payments of the *Pota* tax made by them since 1772,[106] when the tax had been introduced. In the absence of systematic records of assessment and collection, large-scale misappropriation of *Pota* tax revenue appears to have occurred during this period. Sixteen years later, in 1788, *Pota* tax collectors in this area were directed to prepare assessment records in duplicate and submit one copy to the government, because "it appears that no such records have been prepared so far."[107] Arrangements were later made to compile *Pota* tax assessment records for Kathmandu, Patan and Bhadgaun.[108] Notwithstanding these arrangements, the records were so confused that the government was compelled to remit the *Pota* tax in Kathmandu for an 11-year period from 1786 to 1797[109], and then again until 1806.[110] The government at last realized the futility of trying to reform the *Pota* tax collection machinery without the cooperation of the local nobility. In 1804, families who had traditionally served the displaced Malla regime were reinstated and directed "to maintain supervision over the collection of revenue and demarcate the boundaries of land holdings."[111]

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[104] *Order To Gunanand Padhya And Shridhar Padhya To Collect Particulars Of Tax Collections In Tanahu*, Shrawan Sudi, 8, 1843 (August 1786). (25/190).

[105] *Order Regarding Scrutiny Of Accounts Of Tax Collections In Lamjung And Tanahu*, Shrawan Sudi 11, 1862 (August 1805). (19/217).

[106] *Order To Tax-Payers Of Patan Regarding Evidence Of Pota Tax Payments*, Poush Sudi 15, 1838 (January 1782). (5/626).

[107] *Order Regarding Compilation Of Tax Assessment Records In Kathmandu*, Magh Badi 9, 1844 (January 1788). (5/699).

[108] *Pota Tax Regulations*, Jestha Sudi 3, 1862 (May 1805). (6/1).

[109] *Orders Regarding Remission Of Pota Tax In Kathmandu Valley*, Bhadra Badi 14, 1862 (August 1805). (19/236).

[110] *Orders Regarding Remission Of Pota Tax In Kathmandu Valley*, Baisakh Badi 10, 1863 (April 1806). (20/278).

A Regressive System

The most important feature of the taxation system followed during the period after political unification, which we have described in the foregoing paragraphs, is its narrow base. Taxes were imposed primarily on occupations and economic activities, not on property. In fact, in a situation where the majority of the people were denied property rights in the lands they cultivated and the homesteads they occupied, a system of taxation on property could hardly emerge. The *Birta* owning class was too influential in the political and administrative fields to undermine its own interests by introducing such a system. From this viewpoint, the imposition of the *Pota* tax by Prithvi Narayan Shah in 1772 must be regarded as a revolutionary measure in Nepal's fiscal system, since it was Nepal's only tax on property. However, the impact of this measure fell only on Kathmandu Valley. Nor was the *Pota* tax based upon a progressive taxation principle, as it appears to have been limited to small *Birta* owners, while members of the nobility and other privileged persons were allowed to retain vast holdings without any fiscal obligation to the State. Moreover, the homestead taxes and other levies which we discussed above were paid only by common people who lived on *Raikar* lands. Influential persons generally obtained homesites on *Birta* tenure and thus were able to avoid the burden of such taxes and levies. Finally, the inequities of the fiscal system were further intensified by the illegal exaction of unauthorized taxes and levies in all parts of the country.

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[111] *Reinstatement Of Tharghars Of Malla Regime In Kathmandu*, Shrawan Sudi 3, 1861 (July 1804). (5/476); *Reinstatement Of Tharghars Of Malla Regime In Patan And Bhadgaun*, Kartik, Badi 14, 1861 (October 1804). (5/477-478).

CHAPTER V

THE PEASANT AND THE LAND

In Chapter 3, we noted how land grants and assignments on an extensive scale to non-cultivating *Birta* owners and *Jagirdars* constituted the cornerstone of the land tenure policies followed by the government of Nepal during the period after political unification. We will now look at the same picture from the viewpoint of the cultivator. The legal and administrative arrangements made to protect the rights of the privileged *Birta* and *Jagi*-owning classes inevitably meant a corresponding limitation on the rights of the cultivator. It therefore became impossible for the cultivator to take advantage of the abundance of cultivable lands and improve his bargaining power in respect to both security of tenure and level of payments. In this chapter, we shall firts analyze the impact of land tenure policies on the status and earnings of the peasantry. This will be followed by a discussion of the nature of the rights which peasants possessed in the lands cultivated by them, the nature and level of payments collected from them in consideration of such rights, and circumstances leading to subinfeudation, that is, the existence of an intermediary class of land interests between the State and the actual cultivator.

Impact Of Land Tenure Policies

The conversion of unregistered *Birta*, *Guthi* and *Kipat* lands into taxable lands, which we discussed in Chapter 3, had a far-reaching impact on the status and condition of the cultivating class. Such conversion did not necessarily lead to the eviction of existing occupants, but they were reduced to the status of tenants on the land which they previously had cultivated on free-hold tenure.[1] The victims of land confiscation measures undertaken by King Prithvi Narayan Shah in Kathmandu were thus told that their occupancy rights on the lands cultivated by them would continue only if they lived in the villages where these were situated[2] and cultivated such lands through their own labor.[3] Such restrictions may have been considered necessary in order to stabilize the village population and check sub-tenancy. In fact, the expropriated owners were often reminded that they had been permitted to occupy the confiscated lands in the capacity of tenants only so that "the village population may increase."[4] At times the government also attempted to justify this policy on humanitarian grounds, pointing out that "you have no *Birta*, and no *Jagir*,"[5] Nevertheless, it is evident that the erstwhile *Birta* owners were subjected to restrictions which they had never known before.

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[1] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 90; *Restoration Of Suna Birta Lands Of Inhabitants Of Bungmati*, Kartik, Sudi 15, 1851 (November 1794). (5/756).

[2] *Prohibition To Suna Birta Owners In Changu To Leave Their Village*, Bhadra Badi 5, 1848 (August 1791). (5/10); *Prohibition To Suna Birta Owners In Balagaun To Leave Village*, Baisakh Badi 6, 1862 (April 1805). (20/130).

[3] *Order Regarding Cultivation Of Suna Birta Lands In Banepa*, Poush Sudi 4, 1849 (January 1793). (25/274).

The confiscation measures affected not only the status of the of the dispossessed owners, but also their earnings. Lands thus acquired by the government were usually assigned as *Jagir* to the military. This meant that cultivators were compelled to pay rents at half of the produce under the *Adhiya* system on the lands cultivated by them. According to a royal order issued to the inhabitants of Gokarna in Kathmandu district in November 1792:[6]

> We had confiscated your *Birta* lands. ....But we had allotted them to you for cultivation under *Adhiya* tenure. These lands have now been assigned to the army. But we confirm your continued occupation of these lands on *Adhiya* tenure ... You shall not be evicted from these lands ... as long as you pay the customary dues to the landlord.

Similarly, local officials in an eastern hill district were ordered in early 1806:[7]

> Lands (confiscated and) assigned to the army shall be confirmed in favor of those who owned it previously if they wish to cultivate it ... on payment of the (customary) dues. Otherwise, the lands shall be cultivated by allotting their homesteads to (other) subjects.

These measures thus diminished the status and earnings of the cultivator and even sought to restrict his freedom and convert him into a virtual serf. It was hardly surprising therefore that, at least in a few cases, the dispossessed *Birta* owners preferred to surrender their farmsteads rather than submit to such degradation. As a result, cultivated lands reverted to waste at some places,[8] while some areas were entirely depopulated.[9] At times, these owners even refused to harvest crops sown by them

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[4] *Prohibition To Suna Birta Owners In Changu To Leave Their Village*, Bhadra Badi 5, 1848 (August 1791). (5/10).

[5] *Restoration Of Suna Birta Lands Of Inhabitants Of Bungmati*, Kartik Sudi 15, 1851 (November 1794). (5/756).

[6] *Conversion Of Suna Birta Lands Into Sera In Gokarna*, Marga Sudi 8, 1849 (November 1792). (25/195).

[7] *Order Regarding Eviction Of Tenants In Sanga And Elsewhere*, Falgun Sudi 3, 1862 (February 1806). (6/735).

[8] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 255.

[9] *Ibid.*, p. 39.

prior to confiscation.[10]

The protest of the dispossessed *Birta* owners to the 1805 confiscation measures did not long remain passive. Particularly in Tanahu and other areas in the western hill region, violent clashes broke out between them and the government officials deputed to administer the measures. The government understandably adopted a strong attitude towards such opposition. The ringleaders were arrested and brought to Kathmandu in chains.[11] Officials sent to confiscate *Birta* lands in Syangja district were directed :[12]

> You have reported that Brahman of Karkineta (village) have all gone into hiding, and that they say that they will surrender their wives, their names, their lands and their life all at the same time. Arrest them and put them in chains. If they are killed in the course of such action, what can you do ?

In another area, the officials were told :[13]

> If you cannot utilize lands which were confiscated ... and feel afraid of Brahmans, how will you fight the enemy ?

The protest organized by Brahman *Birta* owners in the western hill regions became so acute in late 1805 that the government even banned their entry into Kathmandu without passports.[14]

Cultivators' Rights

As a result of the land tenure policies and measures of the Gorkhali rulers, therefore, the number of owner-cultivators dwindled considerably. Only *Kipat* owners and a few *Birta* owners cultivated their own lands. The bulk of the peasantry, cultivating *Raikar* lands and the major portion of *Birta*, *Guthi* and *Jagir* lands, did so in the capacity of tenants. What was the nature of the rights these tenants enjoyed on the lands they cultivated ? For the purpose of such discussion, we shall confine our attention initially to the situation which prevailed on *Raikar* and *Jagir* lands, and commence with an analysis of the factors which led to the emergence of cultivators' rights on such lands. These rights accrued to cultivators principally in two ways: through reclamation or inheritance. In the first instance, such rights belonged to those who cleared the land. On their death, the land was subdivided among their heirs. But when cultivated holdings fell vacant as a result of the death, emigration or eviction of the occupants, they were allotted to other persons.

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[10] *Order Regarding Harvesting Of Crops In Timalkot And Elsewhere*, Kartik Badi 1, 1862 (October 1805). (6/581).

[11] *Instructions To Bishram Khatri Regarding Confiscation Of Birta Lands In Lamjung And Tanahu*, Jestha Sudi 8, 1862 (June 1805). (6/15).

[12] *Instructions To Bishram Khatri Regarding Punishment Of Brahman Birta Owners*, Bhadra Badi 11, 1862 (August 1805). (6/392).

[13] *Instructions To Subedar Bag Singh Thapa Regarding Punishment Of Brahman Birta Owners*, Bhadra Sudi, 2, 1862 (September 1805). (6/368).

[14] *Prohibition On Brahmans From Western Hill Region To Visit Kathmandu Without Passports*, Kartik Badi 3, 1862 (October 1805). (/29).

The nature of the tenurial rights and status of cultivators was governed mainly by two factors: low density of population and the relative abundance of the area available for cultivation. This created a strong competition among *Birta* owners on the one hand and the State and *Jagirdars* on the other to attract cultivators. Measures were therefore taken to insure that *Raikar* or *Jagir* lands did not remain uncultivated as a result of such competition. Regulations were promulgated from time to time making it obligatory for local inhabitants to cultivate *Raikar* or *Jagir* lands. Any person who refused to cultivate *Jagir* lands allotted to him for cultivation was liable to be punished.[15] Village headmen were held responsible for the loss of production in case cultivators left *Raikar* or *Jagir* lands uncultivated.[16]

Land allotment policy varied in different geographical regions. In the hill areas and **Kathmandu** Valley, the general rule was that lands should be allotted only to local residents.[17] At times the government even did not hesitate to evict cultivators who belonged to one area but cultivated lands in another. Thus in 1808 outsiders who had been cultivating agricultural lands in Bandipur were all evicted, and the lands were reallotted to local residents on the basis of the size of their family. The order issued to local officials in respect to the obligations of persons who obtained land allotments in this manner gives a good description of tenurial conditions in the hill areas of Nepal during this period. These officials were told "to punish all tenants who disobey their landlords, do not reclaim waste lands, keep lands uncultivated and do not let straw[18] remain in the fields as fertilizer."[19] The ban on outsiders evidently concerned cultivated lands only, for allotment of waste lands were made freely to any person who undertook to reclaim them for purposes of settlement. But a different policy was followed in areas situated near the borders in both the south and the north. In these areas, it was a prime objective of official policy to attract settlers from India or Tibet. Thus, in the eastern Tarai regions, agricultural lands were freely allotted for cultivation to both resident and non-resident ryots. No discrimination appears to have been practised towards such non-resident cultivators from the viewpoint of tax assessments and tenurial privileges. Rather, the government sought to encourage immigrants by granting customs duty exemption on supplies which they brought from India for their personal consumption.[20]

Ban On Alienation

The Gorkhali government firmly adhered to the policy that that all lands belong to the State and that only lands granted to individuals under certain categories of *Birta* tenure should be available for sale and purchase. Cultivators, therefore, were permitted to utilize the land as long as they actually cultivated it. Landholding was tied to subsistence and direct use and was not a marketable commodity. During the period from 1807 to 1810, regulations were enforced in the central and eastern hill regions making transactions in *Raikar* lands a punishable offense.[21] These regulations are significant not only because they give concrete expression to the ideals and principles observed by the government of Nepal with regard to land tenure policy, but even more so because transactions in *Raikar* lands were common enough to require the imposition of a ban through legislation. Land transactions helped cultivators to make adjustment in the size of their holdings necessitated by alterations in the size of their family or migration. Moreover, circumstances arose in which occupancy rights on lands of particularly desired production or location qualities invited monetary offers. Individuals, at times, also desired to acquire a farm for themselves without undergoing the trouble of breaking new lands, so that they were willing to pay at least the cost of such enterprise to the pioneer. It was possible only in this manner to recover the expenses involved in reclaiming lands in the first instance. By withholding the rights to make such adjustments, the government inflicted another hardship on the cultivating class. The ban, moreover, affected labor mobility and hampered the objective of opening up new areas for land reclamation and settlement.

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[15] *Order To Inhabitants Of Dhor Regarding Cultivation Of Jagir Lands*, Jestha Badi 4, 1962 (May 1805). (20/172).

[16] *Order To Inhabitants Of Pharping And Other Areas Regarding Cultivation Of Jagir Lands*, Ashadh Sudi 6, 1867 (June 1810). (39/258).

[17] *Order To Jagirdars In Thimi Regarding Cultivation Of Jagir Lands*, Shrawan Badi 14, 1857 (July 1800). (19/11); *Order Regarding Cultivation Of Jagir Lands In Deupur, Kabhrepalanchok*, Kartik Badi 5, 1862 (October 1805). (1/9302).

[18] The use of straw to enrich the soil in this manner does not appear to have been a universal practice. On *Sera* lands in Patan, it was divided in the same manner as grains, half of the total output being collected for the use of the royal cattle. *Order Regarding Collection Of Rents In Patan*, Marga Badi 7, 1847 (November 1790). (5/27).

[19] *Order Regarding Cultivation Of Jagir Lands In Bandipur*, Ashadh Badi 7, 1865 (June 1808). (36/118).

[20] *Confirmation Of 1793 Tax Assessments Rates In Mahottari*, Kartik Sudi 10, 1866 (November 1809). (40/112).

[21] *Judicial Regulations For Areas East Of The Dudhkoshi*, Marga Badi 9, 1866 (December 1809). (40/124). Section 11; *Judicial Regulations For Daraundi-Kali And Bheri-Kali Regions*, Marga Badi 9, 1866 (December 1809). (40/129). Section 11.

The ban on the alienation of *Raikar* lands did not apply to the Karnali region, however. In Chapter 2, we saw that lands in this region were alienable through sale or mortgage even before the Gorkhali conquest. The Gorkhali rulers did not interfere with this practice, but rather promulgated orders from time to time confirming the legality of such transactions.[22] Regulations promulgated for Dullu-Dailekh in 1825, for instance, decreed[23]:

> In case the cultivator listed in the revenue records does not possess the means to pay the revenue due from him, he may sell his lands to his relatives without in any way prejudicing the payment thereof.

Presumably, the term "relatives" was interpreted quite broadly in such transactions.

Agricultural Rents And Taxes

We shall now discuss the different systems under which peasants made payments to the State in different parts of the country in consideration of the privilege to cultivate the land. For the moment, we shall assume the existence of a direct relationship between the cultivator and the State or the individual or institution to which the State assigned its revenue-receiving rights. The problems created by sub-infeudation will be discussed later. These systems were different in the Tarai, the central and eastern hill region, including Kathmandu Valley, and the Karnali region, consequent to the prevalence of different land tenure systems.

Land Tax Assessments In The Tarai Region

In the Tarai region, different systems of land tax assessment were followed in the eastern, western and inner Tarai districts as a result of historical, demographic and other factors. In general, systems of land tax assessment and assessment rates introduced in different areas under different regimes prior to the Gorkhali conquests were retained. These were occasionally modified to facilitate the task of collection or assuage the grievances of the peasantry, but generally without any substantive change in the basic system. Thus, in the eastern Tarai districts of Bara, Parsa, Rautahat, Saptari, Mahottari and Morang, the Mughal system of assessing land taxes in cash on the basis of the type of crop and the area continued. On the other hand, in the western

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[22] *Order Regarding Fiscal And Judicial Matters In Dullu-Dailekh*, Aswin Sudi 4, 1879 (September 1812). (43/363).

[23] *Itihas Prakash*, *op. cit.*, Vol. 2, Book 2, pp. 57-58.

Tarai districts of Sheoraj,[24] Banke[25] and Bardiya,[26] where the Mughal system does not appear to have been introduced at any time, tax assessments were based on ox-team units. A similar system was followed in Chitaun[27] and elsewhere in the inner Tarai. The failure to introduce the crop-assessment system in these areas may not have been entirely due to historical factors, however. It is also possible that these districts were not sufficiently populated to justify the expense and effort involved in land measurement operations.

In the eastern Tarai, there were two main schedules of land tax assessment rates before 1793, for old and newly-reclaimed agricultural lands,[28] although uniformity was lacking. Immediately after reclamation, land taxes were based on the ox-team unit at rates which were progressively increased during a prescribed number of years. The land was thereafter measured for tax assessment on the basis of the area at rates prevalent in the district.[29] But there were also cases in which tax assessment on newly-reclaimed lands were fixed according to the area from the very beginning[30] possibly because of favorable productivity or location factors. On old lands, consideration was also paid occasionally to the nature of the land in addition to the type of crops.[31]

However, there is evidence that revenue officials and functionaries at the local level seldom made collections at the rates prescribed by the government. The rates actually charged appear to have been much higher than the official rates. Faced with this situation, the government attempted a drastic revision of the entire land tax assessment system in the eastern Tarai districts in 1793. It admitted:[32]

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[24] *Order Regarding Land Tax Assessment Rates In Sheoraj*, Poush Sudi 5, 1856 (January 1800). (24/32).

[25] *Order Regarding Land Tax Assessment Rates In Rajahal And Other Areas*, Marga Sudi 6, 1866 (December 1809). (40/153).

[26] *Order Regarding Land Tax Assessment Rates In Padnaha And Other Areas*, Shrawan Sudi 12, 1868 (August 1811). (40/243).

[27] *Order Regarding Rate Of Plow Tax In Chitaun*, Ashadh Badi 9, 1860 (June 1803). (20/99).

[28] *Order Regarding Land Tax Assessment Rates In Morang*, Shrawan Badi 8, 1864 (July 1807). (20/448).

[29] *Order Regarding Land Tax Assessment Rates In Morang*, Shrawan Badi 2, 1862 (July 1805). (6/198).

[30] *Order Regarding Land Reclamation In Dostiya, Bara District*, Jestha Badi 2, 1864 (May 1807). (20/310).

[31] Thus, according to tax assessments prescribed for certain areas of Bara district in 1791, the highest rates were charged for tobacco and paddy. Unirrigated land paid a uniform rate irrespective of the type of the crop grown. *Order regarding Land Tax Assessment Rates In Naurangiya And Other Areas In Bara District*, Bhadra Badi 12, 1848 (August 1791). (19/446).

> No revenue collector represented the actual state of affairs to us, but collected taxes far in excess of the rates we had prescribed, so that the country has now become ruined.

It was felt that the problem would be solved in part if a uniform land tax assessment schedule was adopted for each revenue division. However, no attempt was made to discard the Mughal system of assessing taxes on an area basis separately for different crops. Separate rates were prescribed for different areas according to the length of time they had been under settlement, as well as according to the relative importance of different crops in each area.[33] The rates fixed in 1793 remained substantially unchanged until 1837.

It is possible with the data available to us to determine the in-kind burden of this tax structure on the cultivator, at least in a few selected cases, and make meaningful comparisons with recent years. The tax assessment rate prescribed for lands under paddy in Mahottari division in 1793 at Rs 4 per *bigha* was reconfirmed in November 1809,[34] while an official report issued in March 1809 gives the current price of paddy in this district at 2·25 maunds per rupee.[35] This meant a total payment of 9 maunds of paddy per *bigha*. In 1940, paddy land of the highest grade in Mahottari district paid a tax of Rs 10 per *bigha*.[36] The price of paddy was then Rs 2 12 per maund.[37] This meant a total payment of 3.6 maunds of paddy per *bigha*. In other words, in-kind payment per *bigha* of paddy land was

250% higher in 1809 than in 1940.[38]

In both the eastern and the western Tarai districts, taxes were collected also on lands used for such non-agricultural purposes as pasturage. The abundant pastures of the Tarai attracted graziers in large numbers from India.[39] The government therefore derived sizeable revenue from taxes levied on cattle grazed on such lands.[40] Pasturage taxes on cows were abolished in Morang and other areas in 1793,[41] however, possibly because of religious considerations.

In the eastern Tarai region, the taxable area did not include lands utilized by cultivators for residential purposes. Under this arrangement, each cultivator enjoyed tax exemption for a homesite not exceeding 0.1 bigha.[42] However, such exemptions were not allowed if current levels of revenue declined.[43] Tax remissions were usually granted also in the event of natural disasters. On cultivated lands which had reverted to waste, such remission was granted only if peasants had left the land because of inability to cultivate it through lack of physical strength or resources. Ryots were not entitled to tax exemption on lands vacated by them for taking up *Birta* lands or other *Raikar* lands of superior quality.[44] Moreover, with the objective of attracting settlers from the hill areas, concessional land tax assessment rates were often prescribed on lands reclaimed by them.[45] In the far-western Tarai, however, the government appears to have given more importance to maximizing the revenue than to attracting settlers. Settlers in this region were allowed to continue cultivating agricultural lands only in case the lands would otherwise remain uncultivated. They were liable to be dispossessed of their holdings if local ryots appeared able to pay a higher revenue.[46]

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[32] *Introduction Of Amanat System In Eastern Tarai Districts*, Ashadh Sudi 5, 1860 (June 1803). (5/243).

[33] Thus, at one place in Mahottari district, the highest rate was levied on lands growing tobacco, while lands growing lentils and soybean paid the lowest rate. (*Confirmation of* 1793 *Tax Assessment Rates In Mahottari*, Kartik Sudi 10, 1866 (November 1809) (40/111). But the highest rate was collected on paddy, not on tobacco (*Order Regarding Land Taa Assessment Rates In Pakari, Saptari District*, Jestha Badi 13, 1865 (May 1808) (36/101) in one area of Saptari district. In some areas of Morang district, on the other hand, lands growing sugarcane were most heavily taxed. (*Order Regarding Land Tax Assessment Rates In Fattehariput, Morang District*, Marga Badi 1, 1865 (November 1808) (36/184).

[34] *Confirmation Of* 1793 *Tax Assessment Rates In Mahottari*, Kartik Sudi 10, 1866 (November 1809). (40/111).

[35] *Order Regarding Complaints Of Oppression In Eastern Tarai Districts*, Chaitra Badi 9, 1865 (March 1809). (36/255).

[36] The medium of assessment was the 16-*anna* Indian rupee in both 1809 and 1940.

[37] Department of Industrial and Commercial Intelligence, Government of Nepal, *Audyogik Survey Report* (Industrial Survey Reports For Mahottari, Saptari And Other Districts). Kathmandu: the Department, 2005-6 (1948-49). English Translation, Mimeographed, p. 14.

[38] Allowance must here be made to the imperfect nature of the land measurement system in 1809. The year 1940 has been selected here because prices rose to very high levels thereafter because of the second world war.

[39] Buchanan, *op. cit.*, p. 415.

[40] *Order Regarding Rates Of Pasturage Taxes In Morang*, Baisakh Badi 11, 1860 (April 1803). (20/47)

[41] *Abolition Of Pasturage Taxes On Cows In Morang*, Kartik Badi 8, 1865 (October 1808). (36/171).

[42] *Revenue Regulations For Bura And Parsa*, Chaitra Badi 5, 1868 (March 1812). (40/396). Section 3.

[43] *Order Regarding Collection Of Unauthorized Taxes In Bara and Parsa*, Poush Sudi 5, 1865 (January 1809). (36/209).

[44] *Ibid.*

[45] *Order Regarding Land Tax Assessment Rates In Bara And Parsa For Settlers From Hill Areas*, Jestha Sudi 6, 1867 (June 1810). (39/213).

[46] *Regulations For Tarai Areas Of Doti*, Magh Badi 30, 1868 (January 1812). (40/351). Section 7.

Land Tax Assessments System In Hill Regions

In all parts of the hill regions, including Kathmandu Valley, land was usually classified into two categories, *Khet* and *Pakho*, for purposes of revenue assessment. This classification was based on the availability of irrigation facilities, natural or artificial, although formal definitions are nowhere available. For practical purposes, *Khet* meant irrigated lands on which paddy and wheat were the main crops. *Pakho*, on the other hand, meant unirrigated highland or hill-side lands where only dry crops, such as maize and millet, were grown.

Taxes were usually collected in cash on *Pakho* lands in these areas, although occasionally in-kind assessments in the form of iron, copper of other metal[47] or homespun cloth[48] were not unknown. For the purpose of assessing taxes on high lands or hill-side lands, an area of land which could be farmed with one ox-team was the basic unit,[49] although one-ox[50] or even smaller holdings[51] were also recognized at times. The practice of measuring the land in terms of the quantity of seeds required for sowing was common, but it does not appear to have had any significance from the viewpoint of revenue assessment.[52]

The Adhiya System

In the central and eastern hill regions, including Kathmandu Valley, rents on *Khet* lands were usually collected under the *Adhiya* system, under which the cultivator paid half of the paddy crop to his landlord, retaining the balance for himself. Tenants cultivating lands on *Adhiya* tenure were generally required to harvest the crop and thresh it in the presence of the landlord and local revenue functionaries.[53] At the same time, rents under the *Adhiya* system were often fixed in advance at a figure approximating half of the average produce.[54] *Adhiya* tenure

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[47] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 34.

[48] *Order Regarding Serma Taxation At Thadi And Other Areas In Dokakha*, Magh Sudi 4, 1883 (February 1827). (31/326).

[49] *Order Regarding Serma Taxation In Palanchok*, Falgun Sudi 4, 1850 (March 1794). (40/425).

[50] *Order Regarding Fiscal And Judicial Matters In Dullu-Dailekh*, Ashadh Badi 12, 1859 (June 1802). (24/551).

[51] *Order Regarding Serma Taxation In Dullu-Dailekh*, Shrawan Badi 1, 1859 (July 1802). (24/559).

[52] *Land Grant To Paramenand Bhatta And Others For Cultivation On Kut Tenure*, Magh Sudi 6, 1846 (February 1790). (36/436-438).

[53] *Order Regarding Harvesting Of Crops On Jagir Lands In Kaski*, Shrawan Badi 1, 1864 (June 1807). (20/428).

[54] *Confirmation of Adhiya Lands Of Manikant Upadhyaya*, Poush Badi 7, 1842 (December 1785). (25/12).

also involved the payment of two cash levies: *Ghiukhane* and *Chardam Theki*. *Ghiukhane* was paid in lieu of the wheat crop, which was not traditionally shared between the landlord and cultivator under the *Adhiya* system.[55] *Chardam Theki* was a fee paid by the cultivator on the renewal of his lease every year.

The *Adhiya* system brought several advantages to both the government and the peasantry. From the administrative viewpoint, it helped to avoid complicated methods of revenue assessment and remission. It also eliminated the need to measure the land. Moreover, it was a natural outcome of the low level of monetization of the economy. From the viewpoint of the cultivator, it contained a built-in mechanism to enable him to escape the adverse effects of occasional crop failure. It also protected the cultivator from possible adverse fluctuations in the prices of agricultural produce. At the same time, the system prevented him from benefiting from price increases. *Adhiya* thus effectively insulated agricultural production from market influences. In fact, it retarded the flow of agricultural produce to the market. Kirkpatrick, referring to the practice of *Jagirdars* depending on the markets only for "such articles as his lands do not yield", adds:[56]

> This is the reason why the markets of this country appear to be but scantily supplied, when considered relatively to the number of inhabitants; for they may be said to be almost exclusively resorted to by the trading, manufacturing, and other classes of the people not in possession of lands.

Under the *Adhiya* system, therefore, peasants had little incentive or opportunity to produce for the market. The system thus represnted the worst features of subsistence farming. The following observation of Kirkpatrick is worth citing in this context:[57]

> ... neither here (i.e. Pharping in Kathmandu district) nor at any other town or village in our route (Khatmanda alone excepted) could we easily procure even a single day's provisions for our followers; the authority of the government being almost always necessary for these purposes, notwithstanding our readiness to pay whatever might be demanded.

He thus arrived at the conclusion that:[58]

> ... from this circumstance, and the nature of the country, which was every where unfavorable to the transportation of its productions to any distant market, I am inclined to think that for the most part these people are content to obtain from the earth support only for themselves, and that, consequently, we were rarely supplied by them in the course of our journey but at the expense of exposing them more or less to real inconvenience.

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[55] *Order Regarding Ghiukhane Tax In Salyan*, Marga Sudi 6, 1866 (December 1809). (40/153).

[56] Kirkpatrick *op. cit.* p. 92,

[57] *Ibid.* p. 76

[58] *Loc. cit.*

The *Adhiya* system may have benefited landlords, particularly *Jagirdars*, also at one time. However, the disadvantages they faced were gradually manifested with the growing size of the Kingdom and the increasing scale of land grants and assignments. The beneficiaries of such assignments were concentrated in Kathmandu for the most part, but the lands granted or assigned to them were often situated at a considerable distance from where they lived. Collection, storage, transport and disposal of agricultural rents thus created insuperable difficulties. Moreover, in the changed social and economic conditions of post-unification Nepal, land grants and assignments were not made merely to meet the beneficiaries' requirements of agricultural produce. Landlords needed incomes in cash, particularly when the military or administrative duties of their office necessitated their absence from Kathmandu for long periods of time. But perhaps the greatest disadvantage of the *Adhiya* system, from the viewpoint of landlords, was that it did not provide for competition to drive up the level of rents, since *Adhiya* rents were restrained by the principle that they were to be one-half of the crop. It prevented them from taking advantage of competition among prospective tenants to maximize their income.

The Kut System

These difficulties led to the introduction of the *Kut* system. Under this system, the cultivator paid a stipulated quantity of foodgrains[59] or other commodities,[60] or else a stipulated sum in cash,[61] to the landlord, irrespective of the actual form or quantity of the produce. Since the *Kut* system had been introduced with the primary objective of maximizing rents, it was natural that the level of *Kut* rents should be generally higher than that of *Adhiya*.[62]

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[59] Cf. *Allotment Of Sera Lands In Nuwakot On Kut Tenure To Bale Padhya*, Marga Badi 30, 1853 (November 1796). (5/351). Rent on this allotment was payable in the form of a specific quantity of paddy, although no relationship has been indicated between the amount of *Kut* rent payable and the area of land allotted. In some cases, however, the allotments also specify the quantity of *Kut* rent payable for a specific area of land. Cf. *Confirmation Of Kut Lands Of Laxmikanta Padhya*, Falgun Sudi 2, 1842 (March 1786). (25/34). According to this order, *Kut* rent was payable at the rate of 8 *muris* of paddy per 20 *muris* of land.

[60] Cf. *Land Allotment In Kut Tenure To Radha Ballabh Jhimire*, Kartik Sudi 5, 1851 (November 1794). (5/298). Rent on this allotment was payable in the form of a specific quantity of meat.

[61] Cf. *Land Allotment On Kut Tenure To Sarbajit Karki*, Kartik Sudi 5, 1851 (November 1794). (5/297) When *Kut* rents were fixed in cash, the rate per unit of area was generally mentioned. Such rates ranged from Rs 7 to Rs 12 per 20 *muris* of land.

[62] For example, *Kut* grants were made at one place in Kaski district in 1804 at the rate of Rs. 10 per 20 *muris* of lands. (*Land Allotment On Kut Tenure To Narottam Padhya And Sitaram Thapaliya*, Jestha Sudi 8, 1861 (June

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Moreover, the system protected the landlord from the neglect or lethargy of the cultivator. *Kut* was the first charge on the produce and cultivators were forced to maintain a minimum level of productivity to make cultivation worth while after paying rent at this specific figure.[63] It would be incorrect to assume, however, that the *Adhiya* system was completely discarded when the *Kut* system was introduced. Land allotments continued to be made under both the *Adhiya*[64] and *Kut* systems according to circumstances.

In 1812, the *Adhiya* system was finally discarded as the basis of rent assessment in favor of the *Kut* system on *Jagir* lands in Kathmandu Valley and large parts of the hill regions. Arrangements were made of fix *Kut* assessment rates in such a manner as to insure that "neither the military nor the peasantry are put to any loss." A system of grading agricultural lands into four categories was devised for the purpose of such assessments, and the rates were fixed on the basis of the highest yeld during the previous 3-year period.[65] There seems little doubt that these arrangements were necessitated by the imminent war with the English East India Company. Border disputes were erupting at various points and both sides were making preparations for war. The government of Nepal thus faced the problem of providing *Jagir* land assignments to an expanding army. But the major portion of the cultivated area had already been assigned as *Jagir*. Since it was impracticable in the short run to increase the area available for *Jagir* land assignment by reclaiming waste lands, the government resorted to the expdient of increasing the value of existing assignments to finance new military recruitment through the introduction of *Kut* rents. This policy made it possible for a smaller area of agricultural lands to support a larger number of military

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1804). (5/475), but in 1807 a *Kut* rent of Rs. 5 for a holding of the same size in this district was considered so high that it was prescribed as a penalty for *Adhiya* tenants who harvested the crop in the absence of the *Jagirdar* and local revenue collection authorities. (*Order Regarding Harvesting Of Crops On Jagir Lands In Kaski*: Shrawan Badi 1, 1864 (July 1807). (20/428). The difference is significant, even allowing for variations in productivity.

[63] Thus in 1807, the government received reports that *Birta* owners in Patan and elsewhere, whose holdings had been partially confiscated and assigned as *Jagir* to the army, were neglecting the cultivation of the confiscated lands in preference to their own. It therefore fixed *Kut* rents at 1 *muri* of grains per *ropani* of laud. (*Order Regarding Rates Of Kut Rents In Bungmati And Sunaguthi*, Aswin Badi 6, 1866 (September 1809). (40/103).

[64] Cf. *Adhiya Land Grant To Subedar Doljit Kunwar In Purkot, Isma*, Kartik Badi 11, 1868 (November 1811). (40/290)

[65] *Order Regarding Cultivation Of Jagir Lands In Gulmi On Kut Tenure*, Baisakh Sudi 5, 1869 (May 1812). (41/103); *Notification Regarding Assessment Of Kut Rents In Different Areas*, Kartik Sudi 8, 1869 (November 1812). (41/129); *Arrangements For Cultivation Of Jagir Lands Of Bhagawatidal Company On Kut Tenure*, Kartik Sudi 13, 1869 (November 1812). (51/140).

personnel. At the same time, the rising scale of military recruitment as war broke out and progressed for two years possibly gave additional impetus to the new policy. Large numbers of people were diverted from agriculture to military occupations, thus creating a shortage of agricultural labor as well as the reversion of part of the cultivated area to waste. This in turn induced the government to maintain *Kut* rents at high levels or even to increase them further in order to maintain its revenue at the current level.

The limited measure of security which peasants had enjoyed in respect to land allotments and tenure under the *Adhiya* system was undermined with the gradual introduction of *Kut* rents. Since the *Kut* system, in contrast to the *Adhiya*, did not restrict rents to any specific percentage of the produce, the practice emerged of bidding for rights to cultivate lands favorably located or having special production qualities. Regulations enforced in 1812 prescribed that any tenant who refused to pay higher rates on the land he was cultivating, if offered by other persons, should be evicted.[66] These arrangements meant that agricultural rents were heneceforth to be fixed according to what people were willing to pay. Moreover, the field of competition was widened by removing the general ban on the cultivation of lands by persons not residing in the village. No tenant could now be confident that his occupancy rights would remain secure as long as he made the stipulated payments. More explicit regulations were promulgated in 1816 for Kathmandu Valley and certain other areas in the hill regions, which prescribed that lands should be allotted in the first instance to local peasants on payment of *Kut* rents not below the current rates. They also provided that lands might be allotted to outsiders in case local peasants acted in collusion to force rates down.[67]

The commutation of payments due from peasants through the replacement of *Adhiya* by the *Kut* system created new difficulties for them. They were now compelled to sell their produce in order to raise money to meet their fiscal obligations. But marketing facilities were not always readily available, particularly in the interior hill areas. Lower class peasants, who lived at or near the subsistence level, were often compelled to sell their crop as soon as it was harvested, or occasionally even before. Their need for cash insured that such transactions were seldom conducted on terms favorable to them. Richer pesants, landlords and moneylenders made the most of this situation, for their resources enabled

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[66] *Ibid.*

[67] *Order Regarding Allotments Of Jagir Lands In Banepa And Elsewhere*, Poush Sudi 10, 1873 (January 1817). (36/146).

them to buy the produce of lower class peasants on advantageous terms. Moreover, they could hold supplies of agricultural produces until prices were higher. Many of them thus found a new means of enriching themselves by acting as middlemen.

Money rents mean that rising prices of agricultural produce benefit the peasants. But available evidence indicates that prices were virtually stagnant in most parts of the country during this period. In any case, for the average peasant the price of his produce was determined not by the ordinary forces of demand and supply but largely by the wishes of the village moneylender.

Nor was this all. *Adhiya*, as we have discussed previously, incorporated a built-in mechanism to protect peasants from crop failures or variations in yields. But under the *Kut* system, his fiscal burden as a percentage of the total value of his produce rose when yields declined in any year to an extent which did not entitle him to claim remissions. That is, a 10% decline in the yield in any year would entitle him to a corresponding reduction in the rent payable by him under the *Adhiya* system. Under the *Kut* system, on the other hand, this decline would be considered too insignificant to be deemed a crop failure. Hence the loss would have to be met fully by the peasant himself. In such circumstances, the peasant was often forced into debt to meet his fiscal obligations.

To sum up, the commutation of in-kind rents under the *Adhiya* system to money rents under the *Kut* system, in the circumstances prevailing at the time, compelled the peasant to bear the costs and risks of marketing his produce. It removed the protective mechanism of the *Adhiya* system against periodic variations in yields and fostered conditions favorable to the richer landowning class to take up money-lending on a larger scale, as well as speculative functions as a new field.

Tenurial Insecurity

The denial of the right to alienate lands which cultivators had reclaimed and developed and the general obligation to cultivate the land in the capacity of tenants were not the sole factors that affected their tenurial status and economic condition. Of equal importance, perhaps, was the insecurity of tenure in which cultivators lived in all parts of the country. In the hill regions, no restriction existed on the absolute right of *Jagirdars* to evict their tenants; leases were in fact valid for only one year and had therefore to be renewed every year on payment of a fee. Frequent changes of tenants enabled *Jagirdars* to obtain better terms, which new tenants readily offered because they could thereby secure lands reclaimed, and, at times, even cultivated and sown, by other persons. In the Tarai, local authorities evicted ryots after they had reclaimed waste lands and thereafter allotted the lands to other persons against higher rents.[68] These difficulties deterred the peasantry from reclaiming waste lands and extending their holdings beyond the point needed to meet their minimum subsistence requirements. Since *Jagir* and *Raikar* lands often remained uncultivated as a result, the government found it necessary to initiate measures aimed at protecting cultivators from eviction.

Accordingly, regulations relating to the tenancy rights of cultivators on *Jagir* lands were promulgated in 1793, forbidding *Jagirdars* from evicting their tenants after the monsoon had set in, unless they committed an offence.[69] In other words, *Jagirdars* were permitted to evict their tenants only whenever the latter defaulted in the payment of rents and other dues, and in the prescribed season in case they were so guilty. Obviously, this restriction did not limit the absolute right of *Jagirdars* to evict their tenants, and the sole benefit that cultivators derived from these regulations was that they no longer could be deprived of their share of the crop by being evicted before it was ready for harvest. Restrictions were also imposed on the right of *Jagirdars* to evict their tenants if this would interfere with the obligation to provide labor services when requisitioned by the government. Thus a royal order issued to *Jagirdars* in a village in Patan in 1799 directed them not to evict their tenants on the ground that the latter's services were required for a local gunpowder factory and eviction would dislocate the performance of such services.[70] Similarly, all cateogires of landlords and local officials were prohibited from evicting military personnel from their lands and homesteads.[71] This implied that *Jagirdars* were otherwise permitted to evict their tenants at their discretion. Nevertheless, these regulations gradually led to the emergence of the custom that no person should be evicted from a field he had reclaimed and terraced.[72] Only in 1804 was the right of *Jagirdars* to evict their tenants made conditional upon a default in the payment of rents or deliberate damage to the land. In that year, *Jagirdars* holding lands in certain

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[68] *Order Regarding Reclamation Of Waste Lands In Eastern Tarai Districts*, Aswin Badi 8, 1850 (September 1793). (36/26).

[69] *Order Regarding Rents And Tenancy Rights On Jagir Lands*, Ashadh Sudi 5, 1850 (July 1793). (36/51).

[70] Mahesh C. Regmi, *op. cit.* Vol. III, p. 34; *Order Regarding Supply Of Grass From Khokana*, Bhadra Sudi 10, 1856 (September 1799). (23/387).

[71] Cf. *Allotment Of Homesites To Military Personnel In Kumaun*, Ashadh Badi 9, 1860 (June 1803). (5/384); *Prohibition To Evict Military Personnel In Salyan*, Poush Sudi 14, 1868 (January 1812). (40/335).

[72] *Order Regarding Land Reclamation In Jhangajholi, Sindhuli*, Marga Sudi 1, 1856 (December 1799). (23/515).

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villages in Kathmandu Valley were directed:[73]

> A royal order had been issued to the inhabitants (of these villages) to pay rents on *Kut* or *Adhiya* basis and other dues in the customary manner. ... In spite of (such an order) you have now harassed them. ... As long as (the cultivators) pay their customary dues, they shall not be evicted.

Even when cultivators willfully damaged the land, eviction was permitted only in favor of another local resident.[74] If local residents left the village and settled elsewhere, while continuing to cultivate the *Jagir* lands allotted to them for cultivation, the lands were to be assigned to another person. But such restrictions on the right of *Jagirdars* to evict their tenants benefited only the local inhabitants as a whole. Individual cultivators could still be displaced arbitrarily by *Jagirdars* in favour of another local resident.

These measures related to *Raikar* and *Jagir* lands only. Occasionally, regulations were promulgated to protect the occupancy rights also of tenants cultivating *Birta*, *Guthi* and *Kipat* lands. Thus in 1803, *Birta* owners in Parbat district were prohibited from evicting tenants from the farmsteads occupied by them.[75] Similarly, in 1817, *Birta*, *Guthi* and *Kipat* landowners in Dolakha town were directed:[76]

> Obtain customary payments from tenants (residing on your land). Let them reside on such lands as long as they do so. In case they leave the area, allot their lands to another person. Do not evict people from houses which they are occupying.

Compared to the provisions of the regulations issued for *Jagir* and *Raikar* lands, these measures seem rather half-hearted. They did not even prescribe the conditions under which eviction was permitted, such as default in the fulfillment of rental obligations, with the result that violations were at times inevitable. In any case, the absence of an effective supervisory machinery at the appropriate levels was a serious defect common to both categories of orders and regulations governing tenancy conditions.

Similar regulations were promulgated for the Tarai regions also in 1793. These regulations stipulated that lands should be registered in the names of persons who had reclaimed them, and that no cultivator should be evicted unless he committed an offence[77]. But there existed no independent administrative or judicial machinery to determine the nature of offenses under which ryots were to be punished with eviction, or to hold ryots guilty of such offenses. The regulations therefore appear to have been largely ineffective, and complaints regarding eviction continued.[78] The ryots were unable to approach the government for redressing their grievances, because "the palace is far away and (the journey) requires 10 or 20 rupees."[79] However, these regulations at least admitted the right of the ryot to security against arbitrary eviction.

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[73] *Order To Jagirdars In Kirtipur And Other Villages*, Kartik Badi 13, 1861 (October 1804). (2/201).

[74] *Order Regarding Cultivation Of Jagir Lands In Panauti*, Ashadh Badi 9, 1860 (June 1803). (20/73).

[75] *Order Regarding Tax And Tenancy Rights In Parbat*, Marga Sudi 5, 1860 (December 1803). (19/147).

[76] *Order Regarding Tenancy Rights In Dolakha*, Chaitra Sudi 15, 1873 (April 1817). (36/522).

The measures thus undertaken by the government of Nepal in 1793 to reform tenurial conditions in both the Tarai and the hill regions did not alter the traditional and direct relationship between the State (or the *Jagirdar*) and the cultivator. They only sought to control the level of payments and the conditions under which cultivators might be evicted. The government thus appears to have preferred what was known as the *ryotwari* system of land tenure in India, under which the State dealt directly with the cultivator in revenue matters. It is significant that these attempts at tenurial reform were initiated during the period between June and October in 1793, that is, only a few months after the East India Company had initiated measures in this field. In March 1793, the East India Company had introduced a permanent settlement in Bengal, Bihar and other areas, under which *Zamindars* were made responsible for the payment of land revenue. Actual cultivators were thus placedunder *Zamindars*, but no measure was taken to define and protect their rights. The amount of the revenue was fixed in perpetuity.[80] It is not possible to determine the extent to which the measures taken in Nepal were precipitated by the introduction of the permanent settlement in the adjoining areas of India. Of greater interest is the divergent approach of the two governments towards essentially similar problems in the fields of revenue assessment and collection and stability of the agrarian population. In India, the East India Company followed a policy of encouraging and reinforcing private property in the land. This resulted in the superimposition of western types of tenure arrangments in an agrarian community in which such property rights were at best an elusive concept. On the other hand, in Nepal the official policy never lost sight of the State's ultimate ownership rights in the land. Relations between the State (or the *Jagirdar*) and the cultivator generally remained direct, even though often obscured by the revenue collection mechanism. Consequently, while *Zamindars* in India became proprietors of the land, their counterparts in Nepal remained nothing more than revenue collection functionaries.

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[77] *Order Regarding Reclamation Of Waste Lands In Eastern Tarai Districts*, Aswin Badi 8, 1850 (September 1793). (96/26).

[78] *Order Regarding Complaints Of Oppression In Eastern Tarai Districts*, Chaitra Badi 9, 1865 (March 1809). (36/255).

[79] Foreign Ministry (Jaisikotha) Records; *Administrative Regulations Of The Government Of Nepal*, Falgun Badi 4, 1849 (February 1793). (1B/13). Section 9.

[80] Romesh Dutt, *The Economic History Of India Under Early British Rule, 1757-1837*, Delhi: Publications Division, Ministry of Information and Broadcasting, Government of India, 1963 (Reprint), p. 63; Karuna Mukerji, *Land Reforms*. Calcutta: H. Chatterjee & Co. Ltd, 1952, p. 8.

The Karnali Region

In Chapter 2, we mentioned that cultivators in the Karnali region generally paid land taxes in cash. This system continued after the Gorkhali conquest of this region. *Jagirdars* appointed in this area were accordingly paid salaries in cash instead of receiving land assignments as in the central and eastern hill region. The commander of the local military unit collected revenues and disbursed salaries, while the surplus, if any, was transmitted to Kathmandu.[81] This meant that *Jagirdars* did not deal directly with cultivators. But this arrangement did not prove satisfactory to the government. While revenue remained more or less static, as the Gorkhali government was reluctant to raise tax assessment rates in a region which was situated so far away from Kathmandu, the scale of military expenditure increased progressively. The result was that the local revenue had occasionally to be supplemented with the proceeds of revenue collection made in Kumaun[82] and elsewhere.

These factors led to the adoption of a new policy in 1805, according to which all cash salaries to military personnel were abolished. Instead, lands were assigned to them as *Jagir*.[83] This brought *Jagirdars* and cultivators in direct contact with each other. Presumably, the government thereby expected to reduce its financial commitments by enabling *Jagirdars* to enjoy the extra-legal perquisites of landlordship which it could not sanction or collect officially. *Jagirdars* were of course not permitted to collect rents from their tenants in excess of the prescribed assessment rates, but such direct contacts naturally reacted to the detriment of the cultivator. There is evidence that *Jagirdars* took advantage of this situation to collect excess payments in contravention of the official regulations. This explains why the government subsequently promulgated orders from time to time directing *Jagirdars* not to do so, and instructing local administrators, apparently ineffectively, to have all such excess collections refunded to the cultivators.[84] In fact, *Jagirdars* probably not only made cash collections in excess of the prescribed assessment rates, but also attempted to collect payments in the form of foodgrains whenever possible. Their hands were strengthened by the official policy of introducing the *Adhiya* system in this region. According to regulations promulgated in 1805 throughout the Bheri-Mahakali region, rents on newly-reclaimed lands were to be assessed on the *Adhiya* basis after an initial 4-year exemption.[85] It is noteworthy that the cash assessment system, which was generally followed in this region, was not made applicable to such lands. There is no evidence that these developments led to the total obsolescene of the cash assessment system in the Karnali region, however.

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[81] Cf. *Appointment Of Nersing Thapa as Subedar In Bajhang And Bajura*, Bhadra 5, 1856 (September 1799). (23/372).

[82] *Appropriation Of Gadimubarak Revenues From Kumaun For Disbursement Of Salaries To Military Personnel In Jumla*, Ashadh Badi, 9, 1860 (June 1803). (20/88).

[83] *Land Regulations For Bheri-Mahakali Region*, Jestha Badi 10, 1862 (May 1805). (20/209). Section 4.

Subinfeudation

We shall now discuss the question of rents and tenancy rights under conditions of subinfeudation, that is to say, when the person who held lands subject to the payment of taxes and rents to the State or to a *Birta* owner or *Jagirdar* did not cultivate them himself, but appointed a sub-tenant for this purpose. It would be reasonable to assume that such sub-letting was practised only when the landholder collected more from his sub-tenant than what he himself paid as tax or rent. Conditions favoring subinfeudation emerged both through government grants and in other ways.

Although *Adhiya* lands were generally cultivated by the allottees themselves, some *Adhiya* allotments were so large that it is difficult to believe that they were cultivated by a single family. A *Birta* holding consisting of 360 muris (approximately 4.5 hectares) of paddy-field in Patan was granted for cultivation on *Adhiya* tenure in 1807.[86] The large size of the holding, and, moreover, the fact that the *Adhiya* allottee was an officer in the army, seem to indicate that at least part of the land was cultivated through sub-tenants. The rents paid by these sub-tenants must have exceeded one-half of the produce in order to enable the *Adhiya* tenant to meet his obligations to his landlord. Such examples might have been rare, but they do highlight the stiff competition for land of favorable location or productivity even during the early nineteenth century and the exorbitant terms under which certain categories of peasants had to obtain land for cultivation. However, subinfeudation under the *Adhiya* land tenure system was due primarily to economic and demographic factors and not to tenurial factors as such. In other words, the government expected *Adhiya* allottees to cultivate their holdings themselves, but the latter took advantage of its favorable location or productivity or competition among local inhabitants to sublet the land and appropriate an income without personally working on it.

Kut land grants were sometimes made not to actual cultivators but to intermediaries. The beneficiaries were directed to allot the lands among local cultivators,[87] exercise judicial authority over them[88] and reclaim waste lands with the compulsory and unpaid labor of their tenants.[89] Such grants usually assumed two forms. Occasionally, a fixed sum of money was stipulated for payment by the beneficiary to the government or the *Jagirdar*[90]. In such cases, he was entitled to collect not only *Kut* rents but also miscellaneous taxes and levies from the cultivators. He was allowed to retain a certain amount from the proceeds of specified categories of judicial fines and escheats, as well as all surplus revenues he might be able to collect from other sources. There were also cases in which the beneficiary was allowed authority only to collect the specified *Kut* rents from cultivators.[91] Such grants do not mention the benefit derived from his responsibility as revenue collector. It might therefore be correct to presume that the *Kut* rents mentioned in the grants were enhanced or other perquisities demanded and offered, in order to provide an income to the *Kut* grantee.

It is difficult to understand the objective of such *Kut* land grants to non-cultivating intermediaries. We may rule out the possibility that these were intended to facilitate the collection of revenue. *Kut* grantees often transmitted the proceeds of revenue collection to contractors appointed for this purpose.[92] These grants thus relieved the administrative responsibilities of contractors, not the government. However, *Kut* grants on *Jagir* lands, which placed the beneficiaries under obligation to trans-

mit the proceeds of collection directly to *Jagirdars*,[93] made it unnecessary for the latter to deal directly with individual cultivators. *Jagirdars* must have preferred to deal with one or two well-to-do intermediaries rather than with a large number of poor cultivators.

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[84] *Regulations For Humla And Jumla*, Jestha Sudi 13, 1870 (June 1813). (41/279). Section 4.

[85] *Land Regulations For Bheri-Mahakali Region*, Jestha Badi 10, 1862 (May 1805). (20/2091). Section 17.

[86] *Manachamal Land Grant To Subba Hastadal Shahi In Patan*, Ashadh Sudi 8, 1864 (July 1807). (July 1897). (20/425).

[87] *Allotment Of Jagir Lands To Prahlad Gurung And Tularam Khatri On Kut Tenure. In Kaski*, Chaitra Sudi 15, 1868 (April 1812). (40/421).

[88] *Land Allotment To Rambhadra Chhatkuli Jaisi On Kut Tenure In Kharibesi, Dhading*, Aswin Badi 13, 1848 (September 1791). (5/67).

[89] *Land Allotment To Sadu Bhatta On Kut Tenure*, Poush Badi 1, 1866 (December 1809). (40/163).

[90] *Ibid.*

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[101] Department of Industrial and Commercial Intelligence, *Audyogik Survey Report*, (Industrial Survey Reports For Mahottari, Saptari and other Districts). p. 5.

[102] *Order To Darogas In Sarlahi*, Jestha Badi 5, 1851 (May 1794). (5/176).

Rural Indebtedness and Interest Rates

Tenurial insecurity and the nature and level of payments due on the land are not the only factors that have a bearing on the status and earnings of the peasant. Such factors as rural indebtedness and rates of interest too are of equal importance. During this period, it was the common obligation of tenants cultivating *Jagir* lands to supply loans to their landlords,[103] which often carried interst at 5%[104] and were eventually adjusted against the value of the share of the crop accruing to the landlord. Peasants thus had to find money to meet such obligations even before the crop was harvested. At times they were required to advance such loans in a lump sum and at short notice, especially when the lands cultivated by them had been assigned to military personnel deputed to the front.[105] Tenants who were unable or unwilling to supply loans in this manner were liable to be evicted.[106] Such loans enabled the landlord to meet his expenses without waiting for the crops to be harvested, but imposed an additonal burden on the peasantry. This, together with the low subsistence economy of the average peasant and other factors, meant that peasants were generally forced to borrow from moneylenders. Rural indebtedness in fact appears to have been a chronic and ubiquitous problem among the peasantry.

These difficulties were aggravated by rates of interest that were exorbitant not only because of the general shortage of money, but also because of the lack of security. Since the occupancy rights enjoyed by peasants on their lands were not alienable, such rights did not constitute adequate security for loans advanced by moneylenders. Even the government paid 30% interest on loans obtained by it.[107] In several areas in the western hills, interest generally amounted to 25% in cash and 50% in kind,[108] and sometimes even to 50%. The government made efforts from time to time to control interest rates, but apparently without much success. After the unification of Nepal, the regulations promulgated by King Ram Shah of Gorkha were reiterated frequently,[109] but with little effect.[110] Moreover there is evidence that the statutory rates of 10% in cash and 25% in kind prescribed by him were not enforced in all parts of the country. In certain hill regions in both eastern and western Nepal,[111] regulations were promulgated from time to time prescribing the rate of interest at 10% on cash loans and 25% on in-kind loans. The government made efforts from time to time to mitigate the hardships of the peasantry by scaling down[112] loans or restoring mortgaged lands to debtors.[113] But though the objective in controlling interest rates and reducing the burden of indebtedness might have been to mitigate the hardships of the peasantry, scarcity of money made such measures ineffective. Moreover, the effect of the regulation was probably to raise interest rates still higher, to compensate lenders for the risk of apprehension.

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[103] Such loans had to be provided at rates ranging from Rs 7½ to Rs 15 per 100 *muris* of land according to the grade. *Order Regarding Advance Payments Against Jagir Rents*, Aswin Sudi 1, 1867 (September 1810). (39/417); *Order To Tenants Cultivating Jagir Lands Of Simhanath Company*, Bhadra Sudi 8, 1868 (September 1811). (40/253).

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[106] *Order Regarding Advance Rent Payments To Personnel Of Hanumandhwaj Company*, Kartik Sudi 5, 1864 (November 1807). (6/1055).

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The evidence is thus clear that the condition of the peasantry deteriorated to a considerable extent during the period after political unification in Nepal. At least in some areas, the situation had become so serious that peasants left the holdings they cultivated in search of more congenial surroundings, both elsewhere in the country and outside, thereby rendering large areas of cultivated lands waste. It is true of course that the government attempted to mitigate their difficulties by controlling the rates of payments collected from them and giving them a measure of tenurial security. However, rent and tenancy legislation intended to benefit the peasantry is always difficult to enforce, particularly in a situation where there is a close conformity of association and interest among revenue officials, *Birta* owners and *Jagirdars* and the more powerful elements in the village. At the same time,

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Deterioration In Condition Of Peasantry

The evidence is thus clear that the condition of the peasantry deteriorated to a considerable extent during the period after political unification in Nepal. At least in some areas, the situation had become so serious that peasants left the holdings they cultivated in search of more congenial surroundings, both elsewhere in the country and outside, thereby rendering large areas of cultivated lands waste. It is true of course that the government attempted to mitigate their difficulties by controlling the rates of payments collected from them and giving them a measure of tenurial security. However, rent and tenancy legislation intended to benefit the peasantry is always difficult to enforce, particularly in a situation where there is a close conformity of association and interest among revenue officials, *Birta* owners and *Jagirdars* and the more powerful elements in the village. At the same time,

one would suspect that the measures undertaken by the government from time to time for the benefit of the peasantry were not always meant to be actually enforced. Indeed, the contrast between these measures and those the government undertook to extend State control over agricultural lands, as discussed in Chapter 3, are too conspicuous to pass unnoticed. A policy aimed at the confiscation of lands held on a non-taxable basis without valid authority can of course be more easily and effectively implemented than one seeking to improve the bargaining power of the cultivator vis-a-vis his landlord. Moreover, lands can be confiscated through a one-time administrative effort, while the protection of the interests of the cultivator requires constant administrative supervision and sustained motivation. Not with standing all this, it cannot be ignored that measures were introduced to protect the cultivator's interests only to check the reversion of cultivated lands to waste. Beyond this limited objective, the government was not interested in any way in the welfare of the peasantry. It confiscated lands in order that these resources could be utilized in the war effort. The confiscation measures were therefore executed with speed, efficiency and effectiveness. But the welfare of the peasantry contributed little to this effort from the short-term viewpoint. It is hardly surprising in these circumstances that one fails to notice the same speed, efficiency and effectiveness in the execution of measures aimed at regulating payments due from the cultivator and guaranteeing his security of tenure.

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[103] Such loans had to be provided at rates ranging from Rs 7½ to Rs 15 per 100 *muris* of land according to the grade. *Order Regarding Advance Payments Against Jagir Rents*, Aswin Sudi 1, 1867 (September 1810). (39/417); *Order To Tenants Cultivating Jagir Lands Of Simhanath Company*, Bhadra Sudi 8, 1868 (September 1811). (40/253).

[104] *Order To Tenants Cultiating Jagir Lands Of Bhawanibux Company*, Aswin Badi 11, 1832 (September 1835). (34/198).

[105] *Order To Tenants Cultivating Jagir Lands Of Dalamardan Company*, Aswin Sudi 1, 1867 (September 1810). (39/417).

[106] *Order Regarding Advance Rent Payments To Personnel Of Hanumandhwaj Company*, Kartik Sudi 5, 1864 (November 1807). (6/1055).

[107] *Order To Ijaradar Swarup Puri Regarding Repayment Of Loans Due To Mahant Jayaram Giri*, Baisakh Badi 14, 1962 (April 1895). (20/149).

[108] *Miscellaneous Regulations For Bheri-Chaukhule Region*, Ashadh Badi 9, 1860 (June 1803). (20/100).

[109] Chittaranjan Nepali, *General Bhimsen Thapa*, p. 200; *Notification Regarding Rates Of Interest*, Falgun Badi 11, 1851 (February 1795). (19/1).

[110] Cf. *Imposition Of Fines On Moneylenders In Dudhkoshi-Tista Region*, Chaitra Badi 4, 1863 (March 1897). (6/809).

[111] *Judicial Regulations For Areas East Of The Dudhkoshi*, Marga Badi 9, 1866 (November 1809). (40/124). Section 3; *Judicial Regulations For Daraundi-Kali and Kali-Bheri Regions*, Marga Badi 9, 1866 (November 1809). (40/129). Section 3; *Instructions Regarding Functions Of Thanis In Humla*, Shrawan Badi 1, 1859 (June 1802). (24/566).

[112] Cf. *Judicial Regulations For Morang*, Jestha Sudi 14, 1862 (June 1852). (19/59). Section 4.

[113] Cf. *Judicial Regulations For Areas East Of The Dudhkoshi*, Marga Badi 9, 1866 (November 1809). (40/124). Section 12.

CHAPTER VI

FORCED LABOR AND SLAVERY

In the last chapter, we discussed the conditions under which peasants obtained agricultural and homestead lands for cultivation and residence. The discussion also related to the impact which such factors as indebtedness and interest rates had had on the security and economic condition of the peasantry. But these were not the only factors that had a bearing on agrarian conditions. Our study of these conditions will indeed be incomplete if we ignore how the peasantry fared under the impact of the labor polices followed by the government of Nepal at that time. In this chapter, therefore, we shall make an attempt to study the systems of compulsory and unpaid labor as well as slavery in Nepal during the period after political unification.

Raison D' Etre Of Forced Labor System

We have referred previously to the measures undertaken by the government of Nepal to check the movement of cultivators from *Raikar* to *Birta* lands, as well as to promote immigration from India and Tibet. These measures might be interpreted as a reaction to the low density of population during this period. In 1793, Kirkpatrick,[1] referring to "the wild and rugged nature of the country" came to the conclusion that "we shall see no great room for imagining its population to be considerable." He added, "Even the Turrye, or Turryani, generally speaking, would seem to be but indifferently peopled, the villages throughout it being... very thinly scattered, and in most places of a mean rank in point of magnitude, as well as appearance."[2] Although statistics of population in the areas now comprising the Kingdom of Nepal are not available, it appears correct to assume that a low density of population and a consequent shortage of manpower constituted a chronic problem. A low density of population, together with the easy availability of cultivable lands, meant that the average peasant was able to fulfil his subsistence needs by working on the land. It also meant that he could maintain himself in the conventional standard without the use of much money. Wage income therefore did not occupy an important place in the economy of the average peasant. In other words, an offer of work on payment of wages hardly provided any inducement to him. The idea of working on wages, far from being an inducement, was probably even repellent when it involved leaving his farm and traveling to other areas.

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[1] Kirkpatrick, *op. cit.*, pp. 182-183.

[2] Kirkpatrick estimated the population of Nepal at that time roughly at 500,000. (Kirkpatrick, *op. cit.*, p. 183). It must be noted, however, that the area of the Kingdom was much larger than at present. It is therefore difficult to make any meaningful comparisons on the basis of this estimate. In 1876, when the boundaries of the kingdom had contracted considerably, an English official visitor wrote, "The Nepali government is fond of stating its subject population at five millions of souls, including all the hills and strips of plains along their southern basin; but there are no data for such a statement, which, according to our knowledge of the Himalayan regions, must be greatly in excess of the truth." (Richard Temple, *Journals Kept In Hyderabad, Kashmir, Sikkim and Nepal*, London : W. H. Allen & Co., 1887, Vol. II, p. 255.

On the other hand, the post-unification period witnessed a great demand on the part of the government for porterage and labor services in other forms. The expanding size of the kingdom and its continuous military activity necessitated the transportation of military and other supplies over long distances. There was an increased demand for labor in the production of munitions, as well as in the construction, repair and maintenance of roads, forts and bridges. In addition, porterage services were required on an increasing scale to meet the needs of the court for luxuries and other goods. This disparity between the supply and demand of labor necessitated methods of compulsion in order to meet military and other needs. The Gorkhali government therefore found it expedient to fulfil its labor requirements through the time-honored system of exacting work from its subjects on a compulsory basis.

Forced labor was thus primarily a consequence of the interaction between a high man-land ratio and the increased demand for labor. But this was not the sole factor that governed the labor policy of the Gorkhali government. We must not forget that the bulk of the cultivated area was utilized for *Birta* grants and *Jagir* assignments. Moreover, the economy, particularly the fiscal system, was largely non-monetized. The government was therefore hardly in a position to pay wages to the large number of porters and other laborers it had to impress to meet its military, administrative and other requirements. The labor services that the Gorkhali government exacted from its subjects were thus not only compulsory but also generally unpaid. This system of compulsory and unpaid labor was known as *Jhara*.[3]

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[3] Compulsory and unpaid labor was impressed in three forms, *Jhara*, *Beth* and *Begar*. *Jhara* meant the general obligation to work for the government. *Beth* meant the supply of field labor to landlords and local officials. *Begar*, on the other hand, denoted porterage services only. In the present study, we have used the term *Jhara* to denote compulsory and unpaid labor in general in order to avoid confusion. Often the term *Jhara* was used to denote also compulsory but paid labor, particularly when bricklayers, carpenters and other artisans were employed. [*Exaction Of Jhara Labor In Patan For Construction Of Temple*, Aswin Badi 11, 1853 (September 1796). (23/152).] Such cases appear to have been rare, however.

Universal Character Of Labor Obligations

The entire adult male population, irrespective of class or community, appear to have been under obligation to render compulsory and unpaid labor services whenever required by the State. The obligation fell on individuals, households or villages according to circumstances. Exemption was possible only through royal order.[4] Top-level officials and members of the nobility were exempt because of their official obligations. The general rule was that dual obligations should not be imposed on the same household. Those who supplied specified services or commodities to meet governmental or royal palace requirements were therefore exempt from *Jhara* work in other fields.[5] A similar exemption was enjoyed by the families of persons recruited in the army and deputed to the front,[6] temple attendants[7] and others. In addition, exemption, full or partial[8], was granted as a mark of royal favor to individuals in[9] appreciation of special services, inhabitants of specified areas[10] or to specified communities.[11]

Each caste and community was assigned tasks suited to its status and occupation. Thus, in 1799, an order issued to local officials in Tanahu to impress *Jhara* labor for the construction of a royal palace at Gorkha stated:[12]

> Every Kumhale (potter) family shall supply 10 earthen pitchers each. Majhis, Darais and other castes who customarily carry loads shall come along with spades, axes, knives, etc. All other castes shall ... perform such work as is assigned to them by the officials deputed for the construction of the palace.

Similarly, at Kalleri in Dhading district:[13]

> Brahmans have traditionally been employed in checkposts.

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[4] *Order Regarding Jhara Labor For Construction Of Fort In Chisapani*, Poush Badi 14, 1863 (December 1806). (5/119).

[5] Cf. *Order Regarding Supply Of Charcoal From Pharping*, Jestha Sudi 8, 1861 (June 1804). (19/196).

[6] Cf. *Jhara Exemption Granted To Military Personnel Deputed To Western Front*, Jestha Sudi 2, 1839 (May 1782). (5/661).

[7] *Jhara Exemption Granted To Functionaries Employed At Taleju And Other Temples In Kathmandu*, Baisakh Badi 1, 1854 (April 1797). (25/541); *Tax and Jhara Exemptions For Functionaries Of Bhimeshwar Temple In Dolakha*, Magh Sudi 9, 1859 (February 1803). (5/364).

[8] *Jhara Exemption For Newar In Galekham, Tanahu, In Appreciation Of Services Rendered During War*, Ashadh Badi 5, 1851 (June 1794). (5/182).

[9] *Jhara Exemption Granted To Damodar Jaisi Ghimire*, Ashadh Sudi 3, 1843 (June 1786). (25/136).

[10] *Confirmation Of Jhara Exemption To Inhabitants Of Barhagaun*, 1859 (1802). (20/41).

[11] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 6.

[12] *Exaction Of Jhara Labor In Tanahu And Elsewhere For Construction of Royal Palace In Gorkha*, Aswin Badi 5, 1856 (September 1799). (23/398-402).

[13] *Labor Obligations Of Brahmans, Newars And Other Communities In Kalleri, Dhading*, Poush Badi 5, 1863 (December 1806). (5/115).

> Newars and others whose caste status permits them to work inside mines shall do so. Other castes shall be employed in stone, earth and wood work outside mines.

This shows that Brahmans at that time did not enjoy any exemption from *Jhara* obligations.[14] In 1803, Jhara obligations were remitted to all Brahman inhabitants of Parbat district.[15] Subsequently, in 1813, the exemption was granted on a general basis to all Brahmans.[16] A similar facility was extended to Jaisi Brahmans as a ritual offering on the occasion of the birth of a royal prince in 1839.[17]

The Hulak System

The transportation of arms and ammunition and other military supplies constituted the main field where *Jhara* labor was utilized. Regulations promulgated in Doti district in 1799 prescribed that every village should be responsible for the transportation of arms and ammunition within its area.[18] With the gradual expansion of the Kingdom, it became necessary to transport military supplies over long distances. *Jhara* porters were therefore employed in relays, so that no person was required to provide proterage services beyond the limits of his village. This system came to be known as *Hulak*. It meant quicker transport, for nobody had to walk more than a few miles a day. Supplies could therefore be moved all the 24 hours of the day without any interruption.

Hulak services were generally utilized for the transportation of arms[19] salt-peter[20] and other military supplies. At times, they

were used also for transportation of metal[21] or other commodity paid as taxes, or to carry loads for royal guests.[22] Herbs and drugs for the royal palace[23] and cotton seeds for feeding the royal bulls[24] were supplied in the same manner.

The westward expansion of the Gorkhali rulers during the early years of the nineteenth century necessitated a large-scale use of porterage services under the *Hulak* system. *Hulak* services between Kathmandu and the western front were first introduced in 1804[25] for the transportation of mail.[26] In 1809, the scope of such services was extended so as to cover the transportation of arms, ammunition and other military supplies.[27] Outposts were established at intervals of two to three hours' journey. A prescribed number of households, not exceeding 24, was assigned to each of these outposts,[28] which functioned under the control and supervision of divisional administrative offices situated at strategic points on the way.[29] These arrangements insured the uninterrupted movement of mail and military supplies over a distance of more than 700 miles from Kathmandu to the Jamuna region.

Military And Defense Uses Of Jhara Labor

Jhara included the obligation to serve in the army.[30] Troops were recruited under this system whenever war or rebellion[31] compelled the government to maintain a large standing army. Thus, in November 1815, during the Nepal-British war, the inhabitants of all the hill districts were directed :[32]

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[14] Cf. *Order To Dwars Of Dhawa, Gorkha, Regarding Jhara And Hulak Services*, Ashadh Sudi 4, 1843 (June 1786). (25/135).

[15] *Order Regarding Tax And Jhara Exemptions For Different Communities In Parbat*, Marga Sudi 5, 1860 (November 1803). (19/147).

[16] Law Ministry Records, *Okhaldhunga Revenue Regulations*, Shrawan 28, 1991 (August 12, 1934). Section 26. According to these regulations, *Jhara* exemption had been granted on Marga Sudi 15, 1870 (December 1813) to Brahmans living in areas east of the Bagmati river. Such exemption appears to have been granted in western Nepal also (Devi Prasad Bhandari, "Shri 5 Prithvinarayan Shahko Samayaka Nishchit Samvat ra Tithimitiharu." (Definite Dates of The Time of King Prithvi Narayan Shah). *Purnima*, 10, Shrawan 2023 (July 1966), p. 36.

[17] Okhaldhunga Revenue Regulations, *op. cit.* Section 26.

[18] *Administrative Regulations For Doti*, Jestha Badi 14, 1856 (May 1799). (24/711). Section 3.

[19] *Arrangements For Transportation Of Arms From Bijayapur To Kathmandu*, Shrawan Badi 10, 1853 (July 1796). (23/93); *Arrangements For Transportation Of Arms From Rising To Kathmandu*, Poush Badi 6, 1849 (December 1792). (25/208).

[20] *Order To Inhabitants Of Sindhuli And Other Areas Regarding Transportation Of Saltpeter*, Baisakh Sudi 15, 1854 (May 1797). (25/362).

[21] *Order Regarding Transportation Of Metals From Rukum To Kathmandu*, Chaitra Sudi 1, 1854 (March 1798). (23/305).

[22] *Order Regarding Transport Facilities For Wakil Puran Bhatta And Others*, Shrawan Badi 10, 1853 (July 1796). (23/93).

[23] *Orders Regarding Transportation Of Herbs And Drugs From Solukhumbu*, Kartik Sudi 7, 1853 (November 1796). (23/169).

[24] *Order Regarding Transportation Of Cotton Seeds*, Jestha Badi 4, 1854 (May 1797). (25/362).

[25] Itihas Prakash, *op. cit.*, Vol. 3, p. 386.

[26] *Hulak Regulations For Areas From Kathmandu To The Jamuna Region*, Magh Badi 4, 1863 (January 1807). (6/796). Section 1.

[27] *Hulak Regulations For Areas From Kathmandu To The Jamuna Region*, Ashadh Sudi 4, 1866 (June 1809). (6/1009). Sections 4-5.

[28] *Ibid*, Section 3.

[29] These offices, on the Kathmandu-Kumaun route, were situated in Pokhara, Pyuthan, Salyan, Achham, Doti, Almora, Srinagar and Dehradun. (*Hulak Regulations For Areas From Kathmandu And The Jamuna Region*, Ashadh Sudi 4, 1866 (June 1809). (6/1009). Section 5.

[30] The Gorkhali army consisted of two sections, *Bhara* and *Jhara*. *Bhara* denoted regular troops who were recompensed through *Jagir* land grants and cash salaries. *Jhara* referred to irregular conscripts who did not receive any remuneration. (cf. Dhanabajra Bajracharya and Jnan Mani Nepal, *Aitihasik Patra Sangraha*) (A Collection of Historical Letters). Kathmandu: Nepal Samskritik Parishad, 2014 (1957), Part I, p. 53). However, they were permitted to appropriate whatever they could find in the houses of common people in conquered territories. (*War Regulations For Western Hill Regions*, Ashadh Badi 6, 1843 (June 1786). (25/148).

> Join *Bhardars* at Makwanpur in fulfilment of your *Jhara* obligations and work according to their orders. Persons who can bear arms shall come along with their shields, swords, bows, arrows and guns. Others shall bring spades and axes. These who work sincerely for us shall be granted honors, rewards and expenses according to their services. Anybody who does not work on *Jhara* basis according to our order shall be severely punished.

However, such recruitment brought in a number of facilities and privileges in addition to the pay and allowances of a soldier. Chief among these was security of tenure as long as military personnel paid the prescribed homestead dues regularly.[33]

Jhara labor played an important role in the munitions industry. *Jhara* laborers were requisitioned to process salt-peter, supply fuelwood[34] and make grinding stones[35] for gunpowder factories. Salt-peter[36] and other materials[37] required by such factories were traditionally transported under the *Jhara* system. Even iron workers and other mechanics were employed in munitions factories without payment in fulfillment of *Jhara* obligations.[38]

The Gorkhali rulers constructed and repaired forts at strategic places through *Jhara* labor.[39] Since the labor of local inhabi-

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[31] *Order Regarding Recruitment Of Troops In Richok*, Ashadh Sudi 8, 1843 (July 1786). (25/158); *War Regulations For Dubhkoshi-Tista Front*, Bhadra Sudi 2, 1848 (August 1791). (19/448). Section 1; *Order Regarding Recruitment Of Troops In Jumla*, Aswin Sudi 12, 1862 (October 1805). (19/274).

[32] *Order To Inhabitants Of Tilpung (East No. 2) And Other Areas*, Kartik Badi 4, 1872 (October 1815). (42/96).

[33] *Prohibition To Evict Personnel Of Barakh Company From Their Lands*, Chaitra Sudi 5, 1853 (April 1797). (25/332).

[34] *Exaction Of Jhara Labor In Gyalthum And Elsewhere For Gunpowder Factory*, Aswin Badi 13, 1854 (September 1797). (25/615); *Jhara Exemption For Persons Employed In Gunpowder Factory In Kathmandu*, Kartik Sudi 9, 1856. (November 1799). (23/442).

[35] *Exaction Of Jhara Labor In Tokha And Elsewhere For Gunpowder Factory*, Falgun Badi 11, 1854 (Feburary 1798). (23/293).

[36] *Order Regarding Transportation Of Saltpeter*, Aswin Badi 13, 1854 (September 1797). (1A/9).

[37] Cf. *Order Regarding Supply Of Timber From Tamaguru, Dhading*, Aswin Badi 11, 1853 (September 1796). (23/156).

[38] *Iron-Workers In Harmi (Gorkha) Ordered To Work At Munitions Factory In Patan*, Poush Sudi 2, 1862 (December 1805). (19/435); *Instructions To Dittha Bishram Khatri Regarding Manufacture Of Cannon-Balls In Marsyangdi-Pyuthan Region*, Marga Badi 7, 1862 (November 1805). (6/657).

[39] Cf. *Order To Subba Ranjit Kanwar Regarding Construction Of Fort In Jumla*, Bhadra Sudi 11, 1853 (September 1796). (23/99); *Order To Subedar Akiman Bogati And Golya Khawas Regarding Construction of Forts And Bridges In Doti*, Bhadra Sudi 13, 1853 (September 1796). (23/100).

tants was inadequate for such purposes, *Jhara* services were requisitioned from neighboring areas also to transport timber, stone and other building materials.[40] Bridges on streams and rivers on main routes were constructed and repaired in the same fashion.[41] Where bridges had not been constructed, ferry services were organized at different points for the movement of troops, arms and ammunition. The ferrymen, who generally belonged to the Majhi community, were granted *Jagir* lands in compensation for their services,[42] but their services were utilized under the *Jhara* system when these were required outside their village.[43]

Other Uses Of Forced Labor

Jhara labor was also utilized to reclaim waste lands, which were then allotted for cultivation to local peasants.[44] Officials who were authorized to undertake land reclamation operations were also granted authority to impress *Jhara* labor from the local people for the construction of irrigation channels,[45] and embankments were constructed to protect cultivated areas from floods and erosion.[46]

The capture of wild elephants[47] and the supply of fodder to the royal elephants[48] constituted additional fields for the exaction of *Jhara* labor. In addition, people were forced to work in large numbers without wages to meet the needs of the royal palace. Crown lands were usually cultivated through *Jhara* labor. Goods procured from different parts of the country or imported from India by the royal palace were transported to Kathmandu similarly.[49] The *Jhara* system thus made it possible for the royal palace to obtain a regular supply of fresh mangoes from the Tarai[50] and ice[51] in the summer months from the hill areas around Kathmandu Valley.[52] Moreover, the royal palace requisitioned different types of exotic commodities from time to time from different districts, such as the fat of a porpoise, the tongue of a crocodile, the skin of a camel's breast and the slough of a snake for preparing a special kind of incense.[53] The responsibility of catching snakes and crocodiles to meet these requirements was naturally borne not by local officials and functionaries, but by the peasantry. Local officials and functionaries were required to organize labor services for the transportation of revenue from the Tarai to the palace.[54] Labor services required for the construction and repair of royal palaces[55] and temples[56] were obtained through *Jhara*.

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[40] Cf. *Exaction Of Jhara Labor In Maidi (Dhading) And Elsewhere For Construction Of Fort In Makwanpur*, Marga Badi 11, 1853 (November 1796). (23/176).

[41] Cf. *Exaction Of Jhara Labor In Nuwakot For Construction Of Bridge On Chepe River*, Marga Badi 11, 1853 (November 1796). (23/179).

[42] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, pp. 4-5.

[43] Cf. *Exaction Of Jhara Labor From Majhis In Benighat For Operating Ferry Services In Deoghat*, Ashadh Badi 3, 1862 (June 1805). (5/540).

[44] Cf. *Order Regarding Land Reclamation In Jhangajholi (Sindhuli)*, Marga Sudi 1, 1856 (November 1799). (23/514).

[45] Cf. *Orders Regarding Land Reclamation And Irrigation In Kaski And Elsewhere*, Ashadh Sudi 11, 1853 (July 1796) (23/85) and Marga Sudi 1, 1856 (November 1799). (24/9).

[46] Cf. *Order To Kalu Padhya And Others Regarding Construction Of Embankments Through Jhara Labor*, Marga Sudi 12, 1853 (November 1796). (23/174).

[47] Cf. *Exaction Of Jhara Labor In Chainpur And Elsewhere For Capturing Wild Elephants*, Marga Badi 11, 1853 (November 1796). (23/176).

[48] Cf. *Order Regarding Supply Of Fodder For Royal Elephants From Bhaktapur*, Baisakh Badi 11, 1848 (April 1791). (5/399).

[49] *Order To Inhabitants Of Bhirkot And Other Areas Regarding Supply Of Goods Required At Royal Palace*, Aswin Badi 11, 1853 (September 1796). (23/130-152).

Often *Jhara* obligations involved the processing and supply of forest and other products rather than mere porterage services. The headmen of some villages in Nuwakot were thus directed in 1792 to utilize the *Jhara* labor of the local inhabitants for manufacturing and supplying charcoal for government requirements.[57] In fact, under the *Jhara* system, people could be employed in any manner required by the government. *Jhara* laborers employed in the construction of the Jagannath temple in Kathmandu in 1799 were thus required to grind limestone,[58] supply rope, break[59] stones and transport timber.[60]

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[50] *Order Regarding Transportation Of Mangoes From Tirhut*, Jestha Badi 11, 1861 (May 1804). (2/61).

[51] The supply of ice in this manner involved a very wasteful use of *Jhara* labor, for, by the time the *Jhara* porter reached the royal palace, only 4 or 5 ounces of ice was left in each load.

[52] *Order Regarding Supply Of Ice From Markhu And Other Areas*, Jestha Sudi 6, 1862 (June 1805). (6/22).

[53] Cf. *Order To Ijaradar Shaktiballabh Padhya Regarding Supply Of Ingredients For Making Incense*, Kartik Sudi 14, 1862 (November 1805). (18/379).

[54] Cf. *Order Regarding Transportation Of Revenue Collections Made In Saptari And Mahottari*, Bhadra Sudi 12, 1847 (September 1790). (19/476).

[55] Cf. *Order To Shridhar Pant And Others Regarding Repair Of Royal Palace In Gorkha*, Marga Sudi 5, 1853 (December 1796). (23/205).

[56] Cf. *Exaction Of Jhara Labor In Patan And Elsewhere For Construction Of Jagannath Temple In Kathmandu*, Aswin Badi 11, 1853 (September 1796). (23/153).

[57] *Order Regarding Supply Of Charcoal From Kahuli And Other Villages In Nuwakot*, Poush Sudi 5, 1849 (December 1792). (25/276).

[58] *Order Regarding Manufacture Of Lime For Construction Of Jagannath Temple In Kathmandu*, Kartik Sudi 11, 1856 (November 1799). (23/450).

[59] *Order Regarding Supply Of Babyo Grass For Construction Of Jagannath Temple In Kathmandu*, Bhadra Badi 11, 1853 (August 1795). (23/60).

[60] *Exaction Of Jhara Labor In Patan And Elsewhere For Construction Of Jagannath Temple In Kathmandu*, Aswin Badi 11, 1853 (September 1796). (23/152).

The requirements of *Jhara* labor were never-ending. Its exaction for different purposes over a period of time had therefore to be planned in advance. In 1798, the military commander of a western hill district was instructed :[61]

> We have received reports that a bridge on the Bheri River has been damaged. Employ some of the local inhabitants to repair it. The rest should be employed to dig irrigation channels and reclaim fields. ...... Complete these tasks this year. Next year, construct a bridge at......

One might even suspect that at times new projects were devised only to keep available *Jhara* labor busy.

Impact On Condition Of Life Of The Peasantry

The use of forced and unpaid labor for military requirements may have been justified to some extent in the circumstances prevailing at the time, but the progressive impoverishment of the people and the exaction of such onerous labor obligations was the product of a basic contradiction between the welfare of the people and the desire of the rulers for unlimited territorial expansion. Available evidence indicates that the *Jhara* system inflicted considerable hardships on the people. Regulations promulgated by Prithvi Narayan Shah for Nuwakot in 1768 had prescribed that the inhabitants of one area should not be forced to provide unpaid labor in another.[62] But as the requirements of the royal palace and the government for porterage services progressively increased, this provision was seldom observed.

The use of forced and unpaid labor for the construction of the temple of Jagannath in Kathmandu in 1796 constitutes a typical example of how the system created hardships for the people. People were summoned from such distant areas as Tanahu and Bhirkot to transport timber from Hitaura for the construction of the temple. They were expected to bring foodstuffs required for their own consumption for a period of five or six months.[63] This raises the question of the fate of persons who did not possess sufficient foodgrains to be able to do so. But even if they were able to procure sufficient quantities, they could hardly be expected to carry five or six months' supplies of food while transporting timber. Occasionally, the government made arrangements for the supply of foodstuffs at construction sites where *Jhara* laborers were employed.[64] This would seem to indicate that such laborers did not bring their provisions with them as directed. *Jhara* laborers were required to bring along with them not only provisions for several months, but also "spades, axes, knives and Khukuris" required in the course of work.[65]

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[61] *Order To Subedar Bahadur Shahi Regarding Exaction Of Jhara Labor For Different Purposes*, Magh Sudi 12, 1854 (February 1798). (23/289).

[62] "Royal Order To Nejram Medasi." *Ancient Nepal*, No. 3, Baisakh 2025 (April 1968), p. 27.

[63] *Order Regarding Transportation Of Timber From Bhirkot And Other Areas For Construction Of Jagannath Temple In Kathmandu*, Poush Badi 30, 1853 (December 1796). (23/219).

The term forced and unpaid labor did not mean only that an element of compulsion was involved. Rather, there is evidence to show that force was actually used to round up people from whom unpaid labor was required. Thus, in 1799, troops were despatched to Lyanglyang and other villages in the eastern hill region to bring *Jhara* laborers for the construction of the Jagannath temple in Kathmandu.[66] Nor was this an isolated case of the use of the military to round up *Jhara* laborers.[67] Even for such routine operations as the repair and maintenance of State-owned irrigation channels, officials were appointed at the local level for the specific purpose of mobilizing unpaid labor.[68] Such administrative practices further highlight the harassment which people suffered under the *Jhara* system.

People were forced to undergo additional hardships when *Hulak* routes passed through sparsely populated villages. Shortage of porters in such villages often led military officials to employ even childern as porters. According to an order issued in May 1808 to military officials operating *Hulak* services on the east-west routes:[69]

> We have received reports that at places where the number of *Hulaki* households is small and not enough porters are available, you seize the sons and daughters of the subjects, beat them and force them to carry loads even when the subjects offer to increase the number of relays. (Henceforth), increase the number of relays for the transport of government stores, arms and ammunition in villages where (the number of Hulaki households) is small. ... Any person who beats the wives, sons and daughters of the subjects for transporting his own supplies, other than those of the government, shall be awarded severe punishment.

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[64] Cf. *Order Regarding Food Supply For Jhera Workers In Chisapani*, Marga Badi 2, 1862 (November 1805). (19/393).

[65] Cf. *Exaction Of Jhara Labor In Nuwakot For Construction Of Bridge On Chepe River*, Marga Badi 11, 1853 (November 1796). (23/179).

[66] *Exaction Of Jhara Labor In Lyanglyang And Other Areas For Construction Of Jagannath Temple In Kathmandu*, Marga Sudi 1, 1856 (November 1799). (23/514).

[67] Cf. *Order Regarding Exaction Of Jhara Labor In Areas West Of The Bishnumati*, Falgun Sudi 6, 1868 (March 1812). (40/394).

[68] *Order Regarding Construction Of Irrigation Channels In Marsyangdi-Parbat Region*, Chaitra Badi 4, 1868 (March 1812). (28/76).

[69] *Order Regarding Hulak Services On East-West Routes*, Jestha Badi 4, 1865 (May 1808). (36/81).

Such orders from Kathmandu were of course seldom actually implemented. But the ambiguity of the last sentence of the order is significant, for it implies that the government was not averse to having children and women beaten up and forced to carry loads if these belonged to it.

The difficulties faced by the people on account of the system of forced and unpaid labor were aggravated by the general tendency of government officials and other influential persons to utilize it for their personal requirements.[70] People were repeatedly directed to transport only government stores, including arms and ammunition,[71] but they had no real protection against anybody who demanded porterage and other services from them and was in a position to use force or intimidation. Even pilgrims visiting Mansarovar lake in Tibet had no scruples in forcing inhabitants of villages situated along the way to provide porterage services without any payment.[72] Reports of such unlawful exaction of forced and unpaid labor were received form several parts of the country.[73] Indeed, the inhabitants of villages situated along main routes suffered untold hardships because of such indiscriminate exploitation. An English official visiting Kathmandu in 1793 noted that Chitlang, which is situated on the Kathmandu-Hitaura road, had been rendered desolate because of the indiscriminate exploitation of forced and unpaid labor;[74] notwithstanding the fact that such exploitation had been banned there five years earlier.[75] In Tinpatan, Sindhuli, people fled to the jungles to escape oppression at the hands of officials and other influential persons who exacted unpaid porterage services from them.[76] In 1799, the government received reports that the entire area west of the Bheri had been ruined because of the indiscriminate use of unpaid labor services.[77] A similar situation prevailed in other parts of the country also.[78] In Morang, peasants were prevented from tilling their fields because of forced and unpaid labor obligations.[79]

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[70] Cf. *Order To Jimidars Of Pipalkot Not To Provide Begar Labor For Unauthorized Purposes*, Falgun Sudi 8, 1852 (March 1796). (5/311).

[71] Cf. *Hulak Regulations For Areas From Kathmandu To The Jamuna Region*, Ashadh Sudi 4, 1865 (July 1898). (6/1009). Section 4.

[72] *Order Regarding Taxation And Other Matters In Humla*, Falgun Badi 3, 1871 (Feburary 1815). (24/643).

[73] Cf. *Order To Inhabitants Of Phulbari (Kabhrepalanchok) Not To Provide Hulak Services For Non-Governmental Requirements*, Bhadra Sudi 1, 1851 (August 1794). (24/357).

[74] Kirkpatrick, *op. cit.*, p. 95.

[75] *Order Regarding Exaction Of Jhara Labor In Chitlang*, Poush Sudi 11, 1844 (January 1788). (5/697). The ban on forced and unpaid labor in Chitlang was reimposed in 1834. *Abolition Of Beth And Begar Labor In Chitlang*, Magh Badi 2, 1890 (January 1834). (26/465).

[76] *Ban On Exaction Of Begar Labor For Non-Governmental Requirements In Tinpatan*, Marga Sudi 5, 1853 (November 1796). (23/201).

[77] *Ban On Exaction Of Begar Labor For Non-Governmental Requirements*, Bhadra Sudi 5, 1856 (August 1799). (23/368).

Regulation Of Jhara Labor

The harassment to which the people were subjected under the forced and unpaid labor system in the eastern Tarai districts became so acute during the last decade of the eighteenth century that the government of Nepal was compelled to take action to alleviate it. According to an order issued for different areas in Morang district in 1790:[80]

> We have received reports that you have suffered much and are unable even to cultivate your lands properly because of the obligation to provide forced and unpaid labor. From 1790, therefore, all such obligations have been remitted. Do not provide forced and unpaid labor to any military or other government employee, or to local officials. Any person who needs porterage services must pay reasonable wages.

Consequent to the ban on unpaid labor in the Tarai districts, arrangements were made after 1795 to pay wages to porters employed for the transportation of government supplies through the Thankot-Hitaura road[81] as well as on routes leading to Sindhuli and to Darbhanga in India.[82] Wages were paid to

laborers employed in the construction of even State-owned irrigation channels.[83] The government prescribed the rate of wages payable to porters employed for non-governmental requirements.[84] Regulations were also promulgated to prescribe that even for governmental requirements, unpaid labor should be exacted only from inhabitants of *Birta* lands. Persons inhabiting *Raikar* lands were thus fully exempted from unpaid labor obligations.[85] Evidently, this decision was taken in view of the depopulation which *Raikar* lands had undergone because of the indiscriminate exaction of forced and unpaid labor.

In the hill regions also, the government issued orders from time to time after 1794 prohibiting the use of forced and unpaid labor for non-governmental requirements.[86] But the results were negative. Ran Bahadur Shah had banned compulsory and unpaid labor in Nuwakot, but the ban was never effectively enforced and had to be renewed in 1803.[87] In 1816, local officials in Doti district had to be warned that they would be regarded as traitors if they exacted unpaid labor for purposes other than the transportation of arms and ammunition as well as of sick persons, or collected free provisions from the people.[88]

Facilities And Privileges Of Jhara Workers

The Gorkhali rulers appear to have tried from the very beginning to insure that the growing burden of *Jhara* services did not alienate the peasantry. Accordingly, arrangements were gradually instituted to provide *Jhara* workers with special facilities and privileges of a fiscal and tenurial nature. According to arrangements made by King Prithvi Narayan

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[78] *Order Regarding Remission Of Jhara Obligations In Listi (Sindhupalchok)*, Marga Sudi 10, 1856 (December 1799). (24/8); *Order To Jimidars Of Pipalkot Not To Provide Begar Labor For Unauthorized Purposes*, Falgun Sudi 8, 1852 (March 1796). (5/211); *Order To Inhabitants Of Phulbari (Kabhrepalanchok) Not To Provide Hulak Services For Non-Governmental Requirements*, Bhadra Sudi 1, 1851 (August 1794). (24/357); *Ban On Exaction Of Begar Labor In Srinagar*, Bhadra Badi 30, 1867 (August 1810). (39/358).

[79] *Abolition Of Hulak, Beth And Begar Systems In Morang*, Bhadra Badi 5, 1847 (August 1790). (19/462). Another common practice, which had no connection with the *Jhara* system but was equally oppressive, was the exaction of free provisions from villagers by local or visiting military and other government employees. (Cf. *Ban On Exaction Of Free Provisions By Military Personnel On Eastern Routes*, Kartik Badi 10, 1872 (October 1815). (42/89); *Order Regarding Taxation And Other Matters In Humla*, Falgun Badi 3, 1871 (February 1815). (24/643). Troops generally did so from the inhabitants of villages through which they marched. Of. *Kumaun Administration Regulations*, Baisakh Badi 1, 1861 (April 1804). (19/174. They were often ordered "not to loot provisions on the way, but to purchase them in the market.", *Order To Jimidars of Pipalkot Not To Provide Begar Labor For Unauthorized Purposes*, Falgun Sudi 8, 1852 (March 1796). (5/311); *Order Regarding Transfer Of Government Officer From Guriohariya To Alau In Parsa District*, [Falgun Sudi 5, 1869 February 1812). (40/394),] but there is no reason to believe that the practice thereby came to an end.

[80] *Abolition of Hulak, Beth And Begar Syselms in Morang*, Bhadra Badi 5, 1847 August 1790). (19/462).

[81] *Regulations For Bara, Parsa And Rautchat*, Baisakh Badi 11, 1852 (April 1795). (40/254). Section 13; *Orders Regarding Payment Of Wages To Begar Porters In Bara, Parsa And Makwanpur*, Jestha Badi 2, 1864 (May 1807). (20/309).

[82] *Confirmation Of Tax Assessment Rates In Manhottari*, Kartik Sudi 10 1866 (November 1809). (40/111).

[83] *Land Reclamation Regulations For Eastern Tarai Districts*, Marga Badi 12, 1856 (November 1799). (23/508). Section 7.

[84] *Saptari, Mahottari Administrative Regulations*, Aswin Badi 30, 1859 (September 1802). (24/626). Section 16.

[85] Cf. *Revenue Regulations For Bara And Parsa*, Falgun Sudi 1, 1865 (February 1809). (36/224). Section 17; *Regulations For Morang*, Magh Sudi 11, 1873 (February 1817). (36/364). Section 14; *Replacement Of Subba Achal Thaba By Subba Jayamanga Thapa In Saptari And Mahottari*, Chaitra Sudi 5, 1869 (March 1812). (41/405).

[86] *Order To Inhabitants Of Phulbari (Kabhrepalanchok) Not To Provide Hulak Services For Non-Governmental Requirements*, Bhadra Sudi 1, 1851 (August 1794). (24/357); *Ban On Exaction Of Begar Labor For Non-Governmental Requirements In Tinpatan*, Marga Sudi 5, 1853 (November 1796). (23/201); *Inhabitants Of Jumla Directed Not To Provide Begar Labor For Non-Governmental Requirements*, Marga Badi 10, 1851 (November 1794). (24/491); *Regulations for Doti*, Jestha Sudi 14, 1856 (June 1799). (24/711). Section 3.

[87] *Confirmation Of Jhara Exemption For Newars And Dhamis In Satsayakhola. Nuwakot*, Kartik Badi 10, 1860 (November 1893). (18/139).

[88] *Regulations For Doti*, Poush Badi 4, 1873 (December 1816). (36/328). Section 6.

Shah, the inhabitates of a village in Patan district who supplied grass on *Jhara* basis for the royal elephants were protected from eviction from their lands and homesteads and granted a 50% remission in *Walak* levies. Full exemption was provided from other homestead levies as well as the *Ghiukhane* tax on the rice lands cultivated by them. They were also freed from the obligation to provide compulsory labor services for other purposes.[89] However, their obligation to pay rents on such rice lands remained unaffected. The grant of these fiscal and tenurial facilities and privileges, was of course, practicable only in respect to regular *Jhara* services such as the supply of fodder required for the royal elephants or of charcoal to meet the requirements of munitions factories.[90] Casual *Jhara* workers could obviously not be treated similarly. People who were employed on such projects as the construction of bridges[91] therefore were granted nothing more than exemption from compulsory labor obligations elsewhere during the period of such employment. But since the same person cannot possibly work at two places simultaneously, the government was obviously only making a virtue of necessity. Not even this dubious concession was offered to *Jhara* workers employed in the construction of forts.[92]

In these circumstances, it was natural that these and other facilities and privileges should have been provided on a systematic basis to *Hulak* porters, for their services were required regularly and permanently. This should by no means be interpreted to mean that facilities were provided to *Hulaki* porters only because their services were regular and permanent. Available evidence indicates that the government was compelled to institute such arrangements primarily because the resentment[93] which the growing burden of *Hulak* services created among the people left it with no alternative. Thus, when regular *Hulak* services were established between Kathmandu and Kumaun in 1804 for the first time, the only privilege accorded to *Hulak* porters was exemption from the obligation to provide *Jhara* services elsewhere.[94] But more and more facilities were provided to them in the course of a few years.

The actual form of the *quid pro quo* provided to *Hulaki* porters varied in different regions, however. In the central and eastern hill regions, it assumed the form of land allotments under *Adhiya* tenure, exemption from specified homestead levies and protection from eviction. In the Karnali region and areas farther west, on the other hand, the emergence of private property rights in the land had created a situation in which those who possessed such rights did not necessarily cultivate the land themselves. Accordingly, allotment of cultivated lands by the State to *Hulaki* porters was out of the question. In these areas, therefore, these porters were recompensed for their services in the form of cash wages. Regulations promulgated in July 1809 for the reorganization of *Hulak* services in the western regions mentioned above directed the officials deputed in this connection from Kathmandu:[95]

> 1. In areas west of Dharmathali (in Kathmandu) and east of the Bheri river, inspect whether or not *Hulak* outposts for the transport of mail have been established as mentioned in the previous order. According to this order, *Hulaki* porters had been granted a 50% concession in the *Walak* levies, in addition to full exemption from (other) compulsory labor obligations and taxes on their homesteads. The order had also prescribed that they should not be evicted from the rice lands cultivated by them on *Adhiya* tenure. With effect from 1809, the remaining 50% too of the *Walak* levies shall be remitted and arrangements shall be made to allot ...[96] *muris* of rice lands under *Adhiya* tenure ...
> 2. In areas west of the Bheri river and east of the Jamuna river, make an estimate of the amount required for payment to *Hulaki* porters employed for the transport of mail on the basis of the sum sanctioned in the previous order and the sum required according to arrangements made this year for different areas, and submit a report accordingly ...

Commutation

There is no evidence that *Jhara* obligations could be avoided through the payment of fines. Orders promulgated for the exaction of *Jhara* labor generally only stated that those who did not provide such labor as directed, or left without permission, would be regarded as having committed a crime.[97] Nevertheless, the commutation of *Jhara* obligations into cash was occasionally permitted. Such commutation was the result of various factors. Often people lived very far away from the site of the project where their services were impressed. Thus, in 1798, the inhabitants of areas situated between the Koshi and Tista Rivers in eastern Nepal had been summoned to work in the construction of a temple in Kathmandu but were subsequently permitted to pay a special levy in cash in lieu of this obligation on the ground that "you live very far away and the journey involves much expense and harassment."[98] But distance does not appear to have been the sole factor contributing to this decision, for, as we have already noted previously, no such consideration was shown in the case of western Nepal. It is significant that commutation was permitted generally in areas which were sparsely populated, or inhabited by unruly communities, and were situated close to the borders. It can hardly be a coincidence that areas between the Koshi and Tista Rivers were inhabited by the Limbu and other Kirati communities who had not yet fully accepted subjugation by Gorkha. The imposition of a levy to compensate *Jhara* obligations in these areas possibly stemmed from the realization that the collection of cash lends itself better to coercive methods than the impressment of labor services. In 1810, *Jhara* obligations in some of these areas were accordingly incorporated into the regular homestead tax on a permanent basis.[99] A similar explanation may be given for the 1805 decision to commute the supply of fuelwood from the Kagbeni-Barhagaun areas in north-western Nepal into a cash payment.[100] In Manang, another area situated on the Nepal-Tibet border, the government waived its right to exact *Jhara* labor on the payment of tribute when the local people represented that such labor had not been customarily impressed there.[101]

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[89] *Order Regarding Supply Of Fodder From Khokana*, Bhadra Sudi 10, 1856 (September 1799). (23/387).

[90] *Order Regarding Supply Of Charcoal From Pharping*, Jestha Sudi 8, 1861 (June 1804). (19/190); *Tax Exemptions For Households Supplying Clay And Charcoal To Beni Mint*, Ashadh Badi 12, 1867 (June 1810). (39/235).

[91] Cf. *Exaction Of Jhara Labor In Tilpung For Construction Of Bridge On Likhu River*, Marga Badi 12, 1863 (November 1806). (6/793).

[92] *Exaction Of Jhara Labor In Kathmandu For Construction Of Fort In Chisapani*, Marga Badi 12, 1863 (November 1806). (6/793).

[93] Such resentment was often expressed in concrete terms. Thus in 1809 Gorkhali commanders in the Jamuna-Sutlej region were unable to transport arms and ammunition to their camp at Nahan because "the ryots have become uncontrollable." [*Report On War Situation From Nahan*, Bhadra Sudi 7, 1866 (September 1809). (37/336).]

[94] *Order Regarding Hulak Services Between Kathmandu And Kumaun*, Baisakh Badi 7, 1861 (April 1804). (5/468).

[95] *Hulak Regulations For Areas From Kathmandu To The Jamuna Region*, Ashadh Sudi 4, 1866 (June 1809). (6/1009).

[96] The figure is missing in this Section. The regulations also prescribe the size of each allotment as between 40 and 100 *muris* of land according to the size of the allottee's family. Full exemption from payment of *Walak* levies to *Hulaki* porters in the Kathmandu-Bheri region had actually been granted in April 1807. (*Order Regarding Facilities And Privileges Of Hulak Porters In Bishnumati-Bheri Region*, Baisakh Sudi 1, 1865 (April 1807). (36/74).)

Labor Services To Landlords And Revenue Functionaries

The burdens of forced and unpaid labor services on the peasantry did not emerge solely for meeting governmental requirements, but were also traditionally due to local revenue officials and functionaries as well as landlords in all parts of the country. Thus in Banke and Bardiya districts in the far-western Tarai, the chief revenue officer was permitted to exact unpaid porterage services from two persons in each village every year.[102] In Mahottari, the *Mokaddam* was entitled to the free services of one ox-team and one plowman from every household every year.[103] Moreover, at times the government delegated its right to exact forced and unpaid labor to *Birta* owners of different categories[104] as well as to individuals who obtained contracts for the exploitation of mineral resources.[105] The common people were thus under obligation to work without wages not only to meet the requirements of the State but also to enrich private individuals.

Slavery

The system of compulsory and unpaid labor made it possible for the government to meet its need for porterage and other services without spending money. Under this system, the government was seldom short of labor resources for any purpose it deemed necessary. This explains why slavery, although a recognized institution during this period, was not utilized at the governmental level. Nor does it appear to have been important in agriculture, for under the land tenure system then existent, it was cheaper to hire tenants to cultivate the fields. Slave labor was thus limited primarily to domestic needs.

Indebtedness appears to have been one of the most important causes of slavery. Since the majority of the peasantry did not enjoy property rights in the lands they cultivated and owned few material goods, they were unable to furnish any security for loans obtained from moneylenders. The sole safeguard of moneylanders therefore consisted in the right to restrict the freedom and utilize the labor power of a defaulting borrower through the institution of slavery. Often indebtedness led not to slavery but to bondage. A debtor was compelled to work for the moneylender under this system in fulfilment of his debt obligations[106] in the capacity of a bondsman. The Nepali term for

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[97] Cf. *Extraction Of Jhara Labor In Arghau (Kaski) For Repair Of Irrigation Channel*, Marga Sudi 5, 1853 (November 1796). (23/305).

[98] *Commutation Of Jhara Labor In Koshi-Tista Region*, Shrawan Badi 3, 1855 (July 1798). (24/656).

[99] *Beth And Begar Obligations Included In Thek Tax In Dasmajhiya (Pallokiral)* Shrawan Badi 14, 1867 (July 1810). (19/9).

[100] *Commutation Of Jhara Labor In Thak-Theni*, Kartik Sudi 11, 1862 (November 1805). (19/376).

[101] *Commutation Of Jhara Labor In Manang*, Chaitra Sudi 3, 1854 (March 1798). (23/305).

[102] *Order Regarding Perquisites Of Local Official And Functionaries In Tarai Areas Of Salyan*, Chitra Sudi 5, 1868 (March 1812). (40/415).

[103] *Confirmation Of 1793 Tax Assessments In Mahottari*, Kartik Sudi 10, 1866 (November 1809). (40/112).

[104] Cf. *Farmayasi Land Grant To Eldest Royal Princess In Mahottari*, Aswin Badi 10, 1896 (September 1839). (38/66).

[105] *Order Regarding Exaction Of Jhara Labor In Choraha Mines*, Baisakh Sudi 9, 1845 (May 1788). (5/710); *Order Regarding Jhara Labor For Copper Mining In Jumla*, Marga Badi 14, 1891 (November 1834). (1/544).

[106] Cf. *Order Regarding Enslavement Of Bondsmen Of Radhakrishna Upadhyaya*, Jestha Badi 5, 1845 (May 1788). (5/716).

a bondsman is *Bandha*, which literally means a person taken up on mortgage. In other words, a person was acquired on mortgage in the same manner as land or other property. He worked for his creditor during his bondage in lieu of payment of interest. The difference between slaves and bondsmen was that the latter had the right to free themselves on payment of the loan. However, this right could hardly have been exercised often, because they were seldom in a position to work for their own economic gain. Often debtors sold themselves or their children into slavery in settlement of loans. There were also numerous cases in which influential persons in the village enslaved poor people through the use of force.[107]

The non-existence of private property rights in the land also meant that tax arrears could not be met through foreclosure of the defaulter's title to his land. Tax delinquency therefore often resulted in enslavement. Local officials and revenue functionaries often enslaved the wives and childern of ryots who defaulted in the payment of taxes and other dues or else sold them in India; with the result that "the country has been ruined."[108]

The rebellions that occurred in different parts pf the country from time to time against the Gorkhali regime were another important factor contributing to slavery.[109] But rebels were lucky if they were enslaved, for capital punishment was usually awarded to all those who were above the age of 12 years.[110] Although the government specifically directed that members of rebels' families should not be enslaved[111] this was often ignored by over-zealous local administrators, and the slaves regained liberty only when the matter was reported to the government.[112] Often slavery seems to have been due to acute poverty. In Dullu-Dailekh, peasants used to sell their childern to purchasers from the plains, as well as from Tibet, and even kidnapped the

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[107] Cf. *Complaint Regarding Forcible Enslavement In Dorna*, Marga Badi 6, 1898 (November 1841). (31/195).

[108] *Order To Chautariya Bam Shah To Check Slave Traffic In Garhwal*, Ashadh Badi 10, 1864 (June 1807). (20/404); *Order To Dittha Dhanbir Thapa To Check Enslavement For Tax Delinquency In Garhwal*, Poush Badi 3, 1871 (December 1814). (41/456).

[109] Cf. *Morang Administrative Regulations*, Baisak Badi 1, 1853 (April 1796). (19/100). Section 4.

[110] Cf. *Jumla Administrative Regulations*, Ashadh Sudi 4, 1853 (June 1796). (5/322). Section 8; *Pallokirat Administrative Regulations*, Magh Badi 30, 1853 (January 1797). (25/342). Section 3.

[111] *Ibid.*

[112] Cf. *Order Regarding Restoration Of Freedom of Rebels Enslaved In Jumla*, Jestha Badi 9, 1860 (May 1803). (5/275); *Instructions To Ranajit Kanwar Regarding Administration Of Jumla*, Shrawan Sudi 3, 1851 (September 1808). (36/164).

children of others for such sale.[113]

Traditional Hindu rules and prohibitions relating to caste and cow-slaughter had been introduced in different areas of Nepal even before the Gorkhali conquests,[114] but their rigorous enforcement appears to have been undertakan only thereafter. Persons who contravened such regulations were heavily fined or else sentenced to enslavement or capital punishment. In 1805, officials deputed to enforce the ban on cow-slaughter in Solukhumbu were directed:[115]

> In case persons guilty of this crime are punished with death or enslavement, most of the inhabitants of that area will have to be so punished. Accordingly the heaviest possible fines should be imposed on persons who committed cowslaughter after that area came under our rules, as long as they have wives, sons, daughters and bondsmen available for sale (to pay such fines). However, those who committed this crime after March 1804 should be either beheaded or enslaved.

In addition, a stricter code of sexual morality was imposed on communities which had not been brought within the fold of Hinduism and whose traditional standards in this respect were comparatively lax. Adultery with a woman of higher caste was generally punished with death.[116] But when such offenses were committed among persons belonging to such communal groups as Khas, Magar, Gurung, Tamang or Majhi, or among such untouchable castes as Damai, punishment usually assumed the form of enslavement.[117] The severity of the system was partially mitigated when fines were prescribed in lieu of enslavement even when incest was involved,[118] but default in the payment of such fines itself became another factor contributing to enslavement.

Enslavement was occasionally due to administrative highhandedness and oppression. Such reports were received particularly from districts situated at a distance from Kathmandu. Thus in Doti a royal order issued in 1802 noted that the former local administrator of that district had "enslaved people, indulged in oppresson and thus greatly reduced the number of ryots."[119] Similar reports were received from Garhwal in 1807.[120]

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[113] *Ban On Sale Of Children In Dullu-Dailekh*, Aswin Badi 8, 1865 (September 1808). (36/164).

[114] *Order Regarding Taxation And Judicial Customs In Jumla*, Chaitra Badi [illegible], 1885 (March 1829). (53/189); D. R. Regmi, *Medieval Nepal*, Part II, p. 538.

[115] *Regulations On Cow Slaughter In Solukhumbu*, Marga Badi 9, 1862 (November 1805). (6/662). Section 1.

[116] Cf. *Capital Punishment To Slave In Solukhumbu Guilty Of Sexual Intercourses With Brahman Woman*, Falgun Sudi 1, 1865 (February 1809). (36/220).

[117] Itihas Prakash, *op. cit.*, Vol. 2, Book 2, p. 26.

[118] *Order Regarding Rates Of Chak-Chakui Fines In Salyan And Other Areas*, Bhadra Badi 3, 1867 (August 1810). (39/320); *Order Regarding Social And Judicial Customs In Doti*, Ashadh Sudi 1, 1886 (June 1829). (43/633); *Order Regarding Rates Of Chak-Chakui Fines And Ban on Slave Traffic In Garhwal*, Magh Badi 12, 1868 (January 1812). (40/349).

Slavery was thus a consequence of factors deeply rooted in the economic and social fabric of the society. It was hardly surprising therefore that large numbers of people were enslaved in different parts of the country. According to an English official who visited Garhwal in 1808:[121]

> At the foot of the pass leading to Har-Ka-Pairi is a Gorkhali post, to which slaves are brought down from the hills and exposed for sale. Many hundreds of these poor wretches, of both sexes, from three to thirty years of age, are annually disposed of in the way of traffic. These slaves are brought down from all parts of the interior of the hills and sold at Hardwar at from ten to one hundred and fifty rupees each.

British estimates put the number of persons enslaved in Garhwal during the entire period of Gorkhali rule at 200,000.[122] According to a royal order issued from Kathmandu to local officials in Sirmur three years later:[123]

> We have received reports that ryots are enslaved on charges of adultery, and that (miscreants) try to sell and purchase industrious and tax-paying ryots. In Garhwal, lands went out of cultivation and revenue declined because of such malpractices. The ryots who were left suffered ...

The estimate of 200,000 might be exaggerated, but even 100,000 would be a considerable figure for the 11 years of Gorkhali rule in Garhwal (1804-15).

Restrictions On Enslavement

The government took occasional steps aimed at mitigating the miseries of the common people consequent to enslavement. In 1773, Prithvi Narayan Shah issued an order prohibiting Danuwar moneylenders in Satgaun village of Kabhre district from bonding or enslaving the children of their debtors in settlement of loans.[124] However, the fact that the order had to be repeated 57 years later[125] indicates how ineffectively it was enforced. In 1793, local administrators in Doti were directed not to restore runaway slaves to their owners even if this were possible.[126] A more comprehensive step was taken in 1803, when the government promulgated orders directing that "no Brahman or Rajput shall be enslaved in our country in the future." The orders also prescribed that "other ryots too shall be enslaved only with their consent, in the presence of the respectable persons of the village, and not through the use of force."[127] But consent could hardly be regarded as synonymous with willingness; faced by numerous social and economic compulsions, the common people had little choice.

The problem of bondage appears to have been acute particularly among the Magar community in the western hill areas. It appears to have been a common practice for moneylenders to take up Magar boys and girls on bondage in lieu of interest due on loans supplied to their parents. The practice was banned in 1837, but revived in 1846, a few weeks after the beginning of Rana rule, when the affected moneylenders complained that they were getting neither work nor their money back from their Magar debtors.[128]

Orders were promulgated from time to time prescribing the collection of arrears of taxes and fines in cash, but apparently to little effect.[129] In 1807, the sale of members of the family of tax defaulters in Garhwal was prohibited and revenue officials were directed to recover all arrears in cash.[130] There is no evidence that the order was ever enforced, for it was repeated four years later, in 1812.[131] The 1807 order also directed that all persons enslaved on the ground of default in the payment of taxes and fines should be freed and that the ryots should no longer be enslaved for non-payment of taxes.[132] The restoration of the liberty of such slaves was, of course, an impossible

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[119] *Order To Local Officials In Doti Regarding Tax Collection And Enslavement*, Kartik Sudi 13, 1859 (November 1802). (24/619).

[120] *Order To Chautariya Bam Shah To Check Slave Traffic In Garhwal*, Ashadh Badi 10, 1864 (June 1807). (20/404).

[121] Edwin T. Atkinson, *The Himalayan Districts Of The North-Western Provinces Of India*. Allahabad: North-Western Provinces And Oudh Government Press 1884, Vol. II, p. 620.

[122] *Ibid.*

[123] *Orders Regarding Chak-Chakui Fines And Ban On Slave Traffic In Garhwal, Sirmur And Elsewhere*, Poush Sudi 3, 1868 (January 1812). (40/329).

[124] Chittaranjan Nepali, *General Bhimsen Thapa And Contemporary Nepal*, *op. cit.*, p. 187.

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[125] *Ibid.*

[126] *Administrative Regulations For Doti*, Marga Sudi 3 1850 (November 1893). (96/37).

[127] *Ban On Enslavement Of Brahmans And Rajputs*, Kartik Badi 10, 1860 (October 1893). (19/137).

[128] *Ban On Enslavement And Bondage Of Magars*, Marga Badi 14, 1893 (November 1836). (59/615); *Order Regarding Restoration Of Pre-1836 Customs Of Magars*, Aswin Badi 1, 1903 (September 1846). (33/38).

[129] Cf. *Order Regarding Enslavement Of Magars*, Aswin Badi 8, 1876. (September 1812). (43/354).

[130] *Order To Chautariya Bam Shah To Check Slave Traffic In Garhwal*, Ashadh Badi 10, 1864 (June 1807). (20/404).

[131] *Order Regarding Rates Of Chak-Chakui Fines And Ban On Slave Traffic In Garhwal*, Magh Badi 12, 1868 (January 1812). (40/349).

[132] *Order To Chautariya Bam Shah To Check Slave Traffic In Garhwal*, Ashadh Badi 10, 1864 (June 1807). (20/404).

undertaking. Even if it had been possible to locate them, it is hardly possible to believe that their owners and purchasers would have acquiesced to such a measure, at least without being compensated. A general ban on traffic in human beings was ultimately imposed in 1812 in Garhwal, Sirmur and other areas in the Jamuna-Sutlej region.[133]

In 1810, the government directed all owners in areas between the Bheri and Jamuna rivers to surrender their slaves to officials designated by it for this purpose.[134] Such a drastic measure appears to have been necessitated by the large-scale enslavement of the peasantry, reversion of cultivated lands to waste and the consequent loss of revenue. But even if the measure was implemented effectively, it did not prohibit enslavement in the future, with the result that the sufferings of the peasantry continued. Another significant step taken by the government to restrict enslavement was the removal of adultery within the community from the list of cognizable offenses in the case of Magar,[135] Gurung,[136] Sunuwars[137] and certain other communities.[138]

It should be noted that these measures taken by the government of Nepal from time to time were aimed solely at mitigating the hardships of the peasantry and thereby preventing them from emigrating. They were not inspired by the egalitarian idea of abolishing the institution of slavery altogether, or even of creating an atmosphere favorable for such a step, for after all slavery was then a recognized social institution in most parts of the world. Nor was enslavement for tax delinquency and other offenses a practice limited to Nepal. Thus the sale of slaves was one of the various sources of the East India Company's revenue inCalcutta in 1752.[139] A regulation passed by Warren Hastings, Governor-General of the East India Company's dominions from

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[133] *Order Regarding Rates Of Chak-Chakui Levies And Ban On Slave Traffic In Garhwal*, Magh Badi 12, 1868 (January 1812). (40/349); *Orders Regarding Rates of Chak-Chakui Levies And Ban On Slaves Traffic In Garhwal, Sirmur And Elsewhere*, Poush Sudi 3, 1868 (January 1812). (40/329).

[134] *Order Regarding Surrender Of Slaves In Bheri-Jamuna Region*, Poush Badi 9, 1867 (December 1810). (38/688).

[135] *Regulations For Collection Of Salami Levy From Magars In Different Areas*, Marga Badi 14, 1873 (November 1816). (36/319-323).

[136] *Regulations For Collection Of Salami Levy From Gurungs*, Baisakh Sudi 8, 1875 (May 181). (52/285).

[137] *Regulations For Collection Of Salami Levy From Sunuwars*, Jestha Sudi 11, 1875 (June 1818). (42/318).

[138] Cf. *Remission Of Chak-Chakui And Other Levies For Tagadhari Khas In Salyan*, Magh Badi 7, 1872 (January 1816). (42/180); *Order Regarding Taxation And Judicial Customs In Dullu-Dailekh*, Aswin Sudi 4, 1879 (September 1812). (43/360).

[139] K.. K. Datta, *Survey Of India's Social Life And Economic Condition In The Eighteenth Century*, (1707-1813). Calcutta: Firma K. L. Mukhopadhyaya, 1961, p. 42.

1772 to 1785, for the punishment of dacoits, laid down that "the family of the criminal shall become the slave of the State and be disposed of for general benefit and convenience of the government."[140]

There seems little doubt that slavery and the forced labor system had a deleterious effect on economic activity. Both these systems impinged on the liberty of the common people and prevented them from attending to their regular occupations. We have cited official sources to show how lands went out of cultivation, revenue declined and emigration was encouraged as a result. Along with the insecure and inequitable land tenure systems prevalent during this period, forced labor and slavery constituted the major factors which inhibited the growth of a stable and prosperous agrarian society. Moreover, these systems insured that the economy remained stagnant even during a period of intensive military activity. Prospects of the expansion of economic activity and the accelerated flow of money incomes which generally accompany such activity were belied by the obligation of the people to work without wages not only while providing porterage services but also while processing forest and mineral products for supply to munitions factories and other defense establishments. It is true, of course, that territorial expansion would hardly have been possible without sacrifices on the part of the people. But the upper classes of the society underwent no such sacrifices. In any case, the adverse effect of these systems on the national economy as a whole is a fact which territorial expansion in itself may explain, but hardly deny.

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[140] *Ibid*, p. 41; Janak Singh, "Slavery In India". *Times of India*, (New Delhi), March 22, 1970.

CHAPTER VII

REVENUE ADMINISTRATION: IMPACT ON AGRARIAN CONDITIONS

Our discussion of agrarian conditions in Nepal during the period after political unification would remain incomplete without a study of the administration of revenue collection. These arrangements were confined to the district level; at the village level, a traditional revenue collection machinery in the form of village headmen and other functionaries of various categories was already in existence in all parts of the country. Since the scope of administrative functions was limited essentially to defense, law and order and revenue collection, there appears to have been no need to create parallel layers of general and revenue administration. Accordingly, district administrators, whether civil or military, were made responsible also for the collection of revenue. But, in the circumstances prevailing at that time, it was perhaps inevitable that they would utilize their authority for personal advantage. In Chapter 4, we have seen that the collection of unauthorized taxes and levies by government officials and functionaries constituted a chronic problem in all parts of the country. Such extortions were channelled through the traditional local revenue collection machinery, which could scarcely be expected not to partake in the spoils. The ultimate burden of all exactions made for the enrichment of the different echelons of the revenue administrative set-up, which were in addition to the revenue demands of the State, naturally fell on the peasantry. The systems of revenue administration adopted by the Gorkhali rulers thus had a profound impact on agrarian conditions, and it is to an analysis of this impact that this chapter will devote itself.

Systems Of Revenue Collection

Two systems were generally followed in the collection of revenue: *Ijara* and *Amanat*. Under the *Ijara* system, the *Ijaradar* or contractor made the stipulated payment to the government and appropriated any amount that he could raise in addition from the sources or territories assigned to him. The *Ijaradar's* liability was thus limited to the amount stipulated by him, while any additional amount that he could raise constituted his profit.[1]

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[1] Cf. *Order To Subba Dinanath Upadhyaya Regarding Clearance Of Accounts Of Ijara And Amanat Revenue Collections In Saptari And Mohottari*, Aswin Badi 11, 1853 (September 1796). (23/115).

Under the *Amanat* system, on the other hand, revenue was collected and accounts rendered to the government on the basis of actual collection by officials and functionaries appointed for this purpose[2].

Ijaras were generally granted on a territorial basis,[3] and the *Ijaradar* was thus responsible for the collection of revenues from all prescribed sources in the area under his jurisdiction. But a number of taxes and levies, such as customs and transit duties, were occasionally also collected under separate *Ijaras*.[4] This meant that the same territory could be under the jurisdiction of different *Ijaradars* for different sources of revenue. *Ijaras* for the collection of levies such as those imposed on cotton[5] and buffaloes,[6] as well as sales taxes,[7] appear to have been issued on a countrywide basis. On the other hand, levies meant for the royal palace were collected and transmitted directly to central officials by local functionaries.[8]

Revenue Collection In Hill Regions

Revenue collection does not appear to have been as difficult a problem in the hill region as it was in the Tarai, for this region had less revenue potential than the Tarai. Moreover, almost the entire cultivated area had been granted as *Birta*, *Guthi* or

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[2] The *Amanat* and *Ijara* system of revenue collection followed in Nepal during the late 18th and early 19th centuries may thus be compared to the *Kanchcha* and *Pakka* systems followed in India during the Mughal regime. According to one source, "An officer who held his post *Kanchcha* was remunerated by a salary which, in theory at least, was a fixed sum, while he had to account to his superior for all the revenue he collected; on the other hand an officer who held *Pakka* had to pay a fixed sum to his superior and was entitled to retain all that he could collect in excess of that amount." (W. H. Moreland, *India At The Death Of Akbar*, Delhi: Atma Ram & Sons, 1962 (Reprint), pp. 29-30.

[3] Cf. *Ijara Grant To Chautariya Dalamardan Shah For Revenue Collection In Bara And Parsa*, Ashadh Sudi 6, 1843 (July 1786). (25/342); *Ijara Grant To Bhajudev For Revenue Collection In Thak*, Ashadh Sudi 12, 1854 (July 1797). (25/588).

[4] Cf. *Ijara Grant To Mahendra Singh For Collection Of Customs Duties*, Shrawan Badi 30, 1862 (July 1805). (19/211); *Ijara Grant To Bhajudhan For Collection Of Customs Duties In Hitaura And Parsa*, Marga Badi 1, 1862 (November 1805). (19/386).

[5] *Ijara Grant To Melkama Bande For Collection Of Kapas-Bhansar Duties*, Jestha Badi, 2, 1839 (May 1782). (5/654).

[6] *Ijara Grant To Rajman Singh Newar For Collection Of Bahinsi-Puchhahi Tax*, Bhadra Sudi 7, 1862 (September 1805). (6/399).

[7] *Ijara Grant To Mahendra Singh Newar For Collection Of Nirkhi Tax'* Bhadra Badi 9, 1862 (August 1805). (19/229).

[8] *Appointment Of Jagajit Duwara For Collection Of Walak Levies In Areas From Trishuli To Kanaka-Tista*, Shrawan Badi, 1867 (July 1805). (6/186); *Order To Amalidar Of Bhirkot Regarding Transmission Of Saunefagu Walak Revenue*, Ashadh Badi 9, 1860 (June 1803). (20/84); *Imposition Of Gadimubarak Levy In Kumaun*, Ashadh Badi 13, 1853 (June 1796). (25/89).

Jagir. Revenue on *Birta* and *Guthi* lands was collected by the owners themselves. On *Jagir* lands, it was collected by local functionaries and transmitted to the beneficiary directly or through the district administrator or military commander. Three main systems were followed in the hill districts for the collection of revenue on *Raikar* and *Jagir* lands. Areas which did not command much military importance, such as Lamjung,[9] Manang[10] and Salyan,[11] were under the jurisdiction of a functionary called *Dware*. This functionary was responsible both for the collection of revenue and the administration of justice and was remunerated by a commission amounting to one-sixth of the total collections.[12]

On the other hand, districts where the Gorkhali rulers maintained military establishments were under the jurisdiction of military commanders known as *Subedars*. These districts included Achham,[13] Bajhang and Bajura.[14] Such military commanders were responsible also for the collection and disbursement of the revenue. The *Subedar* of Bajhang and Bajura, in 1799, was thus under obligation to collect revenues at prescribed rates and spend Rs 10,740 in maintaining a force consisting of 130 musketeers and 34 auxiliaries. He was also under obligation to transmit Rs 700 to the government every year. The surplus revenue, if any, was also to be transmitted to Kathmandu. His own emoluments consisted of the income from 1,000 *muris* of paddy lands assigned as *Jagir* in another district.[15] Occasionally, as in Pallokirat in 1797, the *Subedar* was permitted to appropriate the surplus revenue also in lieu of separate emoluments.[16] At times, *Subedars* actually functioned as *Ijaradars* to undertake these obligations.[17] Still more strategic areas,

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[9] *Reinstatement Of Gajendra Khawas As Dware In Lamjung*, Kartik Sudi 9, 1856 (November 1799). (23/438).

[10] *Order Regarding Authority Of Dware In Manang*, Chaitra Sudi 12, 1844 (April 1788). (5/704).

[11] *Order To Dware Bagdal Thapa Of Salyan*, Bhadra Sudi 5, 1862 (August 1805). (6/381).

[12] *Reinstatement Of Gajendra Khawas As Dware In Lamjung*, Kartik Sudi 9, 1859 (November 1799). (23/438).

[13] *Appointment Of Jaya Rokaya As Subedar In Achham*, Ashadh Sadi 9, 1860 (June 1803). (20/69).

[14] *Appointment Of Narsing Thapa As Subedar In Bajhang And Bajura*, Bhadra Sudi 5, 1856 (August 1799). (23/372).

[15] *Ibid.*

[16] Cf. *Appointment Of Rambhadra Thapa And Chamu Thapa As Subedars Of Shimdal Company In Pallokirat*, Magh Badi 30, 1853 (January 1797). (25/341).

[17] Cf. *Appointment Of Lakhi Giri As Subedar In Rukum*, Ashadh Badi 9, 1860 (June 1803). (20/84).

such as Jumla[18] and Doti,[19] were under the jurisdiction of officials called *Subbas*[20] who enjoyed more extensive civil and military authority than *Subedars*. The *Subba* was under obligation to utilize revenue in meeting local military and administrative functions.[21] He was permitted to appropriate one-sixteenth of the land revenue and one sixth of judicial fines and escheats and transmit the surplus, if any, to Kathmandu.[22] These arrangements reduced the direct administrative and revenue collection responsibilities of the government to a considerable extent. In fact, both *Subbas* and *Subedars* were usually given special instructions to insure that complaints regarding the collection and disbursement of *Jagir* revenues did not reach the government.[23]

In small tracts of territory in the hill regions, as well as in Patan and other towns in Kathmandu Valley,[24] revenue was sometimes collected under the *Ijara* system. It is indeed a reflection on the condition of the revenue collection machinery created during this period that the government did not deem it feasible to collect revenues directly even in areas so close to Kathmandu. Moreover, regulations promulgated in 1793 decreed that the *Ijara* system should be introduced also in areas where revenue was being collected by *Dwares*.[25]

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[18] Cf. *Appointment Of Ram Chandra Adhikari As Subba In Jumla*, Aswin Sudi 15, 1862 (October 1895). (19/285).

[19] Cf. *Appointment Of Lok Nath Pande As Subba In Doti*, Jestha Sudi 14, 1856 (June 1799). (24/714).

[20] There was no hard and fast rule as to where *Subbas* or *Subedars* should be appointed. Thus, in 1799, Lok Nath Pande was appointed *Subba* of Doti, succeeding Birya Pokaya, a *Subedar*. [*Appointment Of Lok Nath Pande As Subba In Doti*; Jestha Sudi 14, 1856 (June 1799). (24/714).] In 1802, the post of *Subba* in Doti was abolished and replaced by that of a *Subedar*, (*Order To Subedars Of Doti Regarding Taxation And Enslavement*, Kartik Sudi 13, 1859 (November 1802). (24/619), but was revived a few years later. [*Order Regarding Collection Of Unauthorized Levies In Doti*, Magh Sudi 8, 1864 (February 1808). (19/267).] At times revenue was collected in the same district both by a *Subba* and a *Subedar*, probably for military and other purposes respectively, thereby leading to a clash of jurisdiction, as in Jumla in 1797. [*Order To Subba Parashuram Thapa Regarding Scrutiny Of Accounts Of Revenue Collections In Jumla*, Chaitra Sudi 15, 1853 (April 1997) (1A/15)]. But usually the *Subedar* functioned under the control of the *Subba* [Cf. *Kumaun Administrative Regulations*, Poush Sudi 2, 1849 (December 1792). (5/235).] Administrative regulations promulgated in 1793 prescribed that "*Subbas* shall be appointed only in areas beyond the Bheri river and in Vijayapur." [Foreign Ministry (Jaisi Kotha) Records, *Administrative Regulations Of The Government of Nepal*, Falgun Badi 4, 1849 (February 1793). (1B/13), Section 17]. The term *Subba* was used also to denote district-level revenue collectors in the Tarai districts.

[21] Cf. *Jumla Administrative Regulations*, Ashadh Sudi 4, 1853 (June 1796). (23/80).

[22] Cf. *Order To Subba Jog Narayan Malla Of Jumla Regarding Collection And Transmission Of Revenues*, Shrawan Sudi 3, 1851 (July 1794). (24/288).

[23] Cf. *Appointment Of Krishna Singh Adhikari As Subedar In Bajhang And Bajura*, Ashadh Sudi 9, 1860 (July 1803). (20/67); *Appointment Of Lok Nath Pande As Subba In Doti*, Jestha Sudi 14, 1856 (June 1799). (24/714).

[24] Cf. *Abolition Of Ijara For Revenue Collection In Sankhu*, Aswin Badi 6, 1862 (September 1805). (6/454); *Ijara Grant To Garbhu For Revenue Collection In Patan*, Chaitra Sudi 15, 1851 (April 1795). (40/425).

Revenue Administration And Agrarian Conditions In The Eastern Tarai

Birta and *Jagir* lands were extensive also in the Tarai. But *Raikar* tenure too encompassed large areas from which the government appropriated considerable revenue. It was therefore necessary to create a separate collection machinery for the collection of this revenue. Revenue collection in the Tarai region accordingly created difficult problems for the Gorkhali rulers and left a marked impact on the economic life of the peasantry.

In the eastern Tarai districts, both the *Ijara* and *Amanat* systems were tried alternately and repeatedly. These arrangements were made initially with local *Chaudharis* for one or more revenue divisions. The *Chaudharis* then transmitted the revenue directly to the central treasury.[26] However, the difficulties involved in dealing with a large number of revenue collectors at the local level and the need to insure stable and maximum collections also led the government to give away entire districts to local administrators or other individuals for revenue collection on *Ijara* basis.[27]

But there is no evidence that these experiments proved satisfactory. According to an official order issued in 1793:[28]

> After that region, (that is, the eastern Tarai) came under our sway, we introduced the *Amanat* system for some time and the *Ijara* system for some time. But you (ryots and revenue collection functionaries) were oppressed by both *Amanat* officials and *Ijaradars*. ... We have received reports that collections have been made in excess of the rates sanctioned by us, that you have been oppressed and unjustly treated, and that the country has been ruined.

Under the *Ijara* system as applied in the eastern Tarai districts, the entire revenue from the prescribed area, with the exception of fines collected from persons guilty of bribery, smuggling, murder, assault resulting in the shedding of blood, cow-slaughter and levies meant for the use of the royal palace, were appropriated by the *Ijaradar* for the prescribed period on payment of a stipulated sum of money. The profits of the *Ijaradar* thus consisted of whatever additional revenue he could raise from the territory under his jurisdiction. He was also responsible for the disbursement of prescribed amounts on the local administration and military establishments. But his authority was not limited to revenue collection and disbursements. He was also treated as the representative of the State in such matters as defense, the entertainment of foreign dignitaries and the administration of justice. He had sole authority to appoint or dismiss all categories of government officials and functionaries in the area under his jurisdiction. The government undertook not to issue any order affecting his district directly.[29] *Ijara* regulations also prescribed that administrative measures in the districts would be taken only in consultation with the *Ijaradar*, that he had full powers to dismiss any district official or functionary who did not obey him, that no other person would be appointed to collect any new levy that might be imposed, and that no one-sided complaint against him would be entertained.[30] *Ijara* regulations were thus primarily intended to define the *Ijaradar's* authority *vis-a-vis* the government. *Amanat* regulations, in contradistinction, sought to exercise tighter control over the revenue collection procedure and showed greater concern for the welfare of the peasantry. They thus empowered the district administrator to incur expenditure for the execution of irrigation projects, supply loans against adequate security in order to promote land relcamation and settlement, make land allotments to responsible persons, insure that local functionaries did not make collections in excess of the prescribed rates, take steps to prevent forced and unpaid labor, and collect the land revenue in instalments. Provision was made also for the submission of detailed land and revenue records every year to Kathmandu.[31]

Under the *Ijara* system, the people suffered from over-taxation and oppression in other forms. In 1790, the ryots of Morang complained that the *Subbas* had collected unauthorized taxes in such a manner that the country had become ruined.[32] Similar reports were received from other parts of the eastern

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[25] Foreign Ministry (Jaisikotha) Records, *Administrative Regulations Of The Government Of Nepal*, Falgun Badi 4, 1849 (February 1793). (1B/13). Section 17.

[26] Cf. *Ijara Grant To Chaudhari For Revenue Collection In Mahottari*, Jestha Sudi 15, 1837 (June 1780). (36/472); *Appointment Of Bhajan Das As Chaudhari In Pakari, Saptari*, Poush Sudi 12, 1842 (January 1786). (25/24).

[27] Cf. *Regulations For Fouzdars In Saptari And Mahottari*, Magh Sudi 4, 1837 (January 1781). (5/596).

[28] *Order Regarding Introduction Of Amanat System In Eastern Tarai Districts*, Ashadh Sudi 5, 1850 (June 1793). (5/243).

[29] *Bara-Parsa Administrative Regulations*, Ashadh Sudi 6, 1843 (June 1786). (5/148).

[30] *Bara-Parsa-Rautahat Administrative Regulations*, Kartik Sudi 15, 1848 (November 1788). (5/76).

[31] *Bara Administrative Regulations*, Marga Sudi 11, 1850 (December 1793). (5/271); *Saptari-Mahottari Administrative Regulations*, Marga Sudi 11, 1850 (December 1793). (5/261).

[32] *Order Regarding Refundment Of Excess Tax Collections Made In Morang*, Bhadra Sudi 2, 1847 (August 1790). (19/447).

Tarai also. Not only ordinary ryots, but even revenue collection authorities, heads of monasteries and other prominent persons migrated to India to escape the oppression of *Ijaradars*.[33] But since a depopulated region can yield no revenue under any system of collection, the scales were weighed in favor of a reversal to the *Amanat* system in 1793.[34] In Morang, the *Ijara* system was replaced by the *Amanat* system in 1797, after the government received reports that large numbers of ryots had fled to India to escape oppression.[35]

In 1793, pursuant to the decision to introduce the *Amanat* system of revenue collection in the eastern Tarai districts,[36] arrangements were started to conduct revenue settlement operations with the objective of eliminating irregularities in land holdings and tax assessments. Regulations promulgated in this connection provided for the payment of the land tax in instalments and prohibited collections in excess of the prescribed rates. Provisions were made also for the construction of irrigation facilities at government expense in order to extend the cultivated area.[37] Measures were also taken to simplify the land tax assessment system by abolishing a number of additional levies.[38] Land allotments were made to ryots on a *de novo* basis.[39] Officials were deputed from Kathmandu to explain the new policy to *Zamindars* and ryots and report on unlawful exactions

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[33] *Appeal To Mahant Devnarayan Das And Others To Return From India*, Bhadra Sudi 4, 1848 (August 1791). (5/22); *Appeal To Gosain Laxman Giri Of Mahottari To Return From India*, Bhadra Sudi 3, 1848 (August 1791). (19/451); *Appeal To Ahiman Chaudhari And Others To Return From India*, Kartik Badi 5, 1851 (October 1794). (5/282).

[34] *Order Regarding Introduction Of Amanat System In Eastern Tarai Districts*, Ashadh Sudi 5, 1850 (June 1793). (5/243)

[35] *Order To Shrikrishna Padhya Regarding Introduction Of Amanat System In Morang*, Baisakh Sudi 8, 1854 (May 1797). (25/355); *Appeal To Dayaram Chaudhari And Others To Return From India*, Kartik Badi 5, 1851 (October 1794). (24/415).

[36] It is noteworthy that official statements regarding the introduction of the *Amanat* system did not necessarily mean actual implementation of the policy of abolishing the *Ijara* system. Thus, in Chitaun district, the introduction of the *Amanat* system in order to put an end to the oppression of *Ijaradars* was announced thrice in a period of approximately six years. (*Orders Regarding Introduction Of Amanat System In Chitaun*, Ashadh Badi 9, 1860 (June 1803). (5/403) Falgun Sudi 1, 1863 (February 1807), (5/139) and Chaitra Sudi 2, 1865 (March 1809)(36/249). There is evidence to believe that the first two orders were never actually implemented.

[37] *Bara Administrative Regulations*, Marga Sudi 11, 1850 (December 1793). (5/271), *Saptari-Mahottari Administrative Regulations*, Marga Sudi 11, 1850 (December 1793). (5/261).

[38] *Bara-Parsa Rautahat Revenue Regulations*, Poush Badi 11, 1851 (December 1794). (5/307); *Saptari-Mahottari Revenue Regulations*, Poush Badi 11, 1851 December 1794). (5/304).

[39] Cf. *Order To Local Officials In Bara And Parsa Regarding Collection Of Excess Amounts*, Marga Badi 6, 1856 (November 1799). (23/506).

made by *Ijaradars*. Collection of arrears of revenue was suspended so that the ryots might not be faced with difficulties in cultivating their lands.[40]

But the *Amanat* experiment did not last long and the *Ijara* system was soon reintroduced in the eastern Tarai districts. The results were the same as before. Reports were again received that the ryots had fled to India to escape overtaxation and oppression at the hands of *Ijaradars*.[41] In July 1800, Kathmandu, in a mood of exasperation, wrote to the *Ijaradar* of Saptari :[42]

> 'We have granted the *Ijara* to you so that you may make the country populous and prosperous, collect the prescribed taxes and levies from the ryots on the basis of the lands allotted to them and not oppress them. We have not appointed you as *Ijaradar* so that you may dispossess the *Chaudharis, Kanugoys* and *Mokaddams* of Saptari of whatever they have. Some ryots have now fled to Moglan (i.e. India), while others have come to us, complaining that oppression is rampant there. We have promulgated regulations in your name so that you may act justly. But you have not maintained the sanctity of our signature (on the regulations). Why then did you accept these regulations? You have indulged in oppression, and made forcible collections in different areas.'

The order then directed the *Ijaradar* to collect taxes and levies at the rates prescribed in 1793 and refund unauthorized collections made in the past. However, it concluded with the somewhat futile warning that "if complaints are submitted to us again, you shall be held guilty."[43] Similar orders for the refundment of unauthorized collections were issued for Morang, Bara, Parsa[44] and elsewhere also, but no action was taken against the guilty officials. It is inconceivable in these circumstances that refundment was actually made.

The situation that then prevailed in the eastern Tarai districts is well illustrated by the fact that in early 1805, officials were deputed from Kathmandu to report on how many villages had been depopulated and how much revenue should be remitted.[45]

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[40] *Revenue Regulations For Eastern Tarai Districts*, Ashadh Sudi 10, 1850 (July 1793). (5/246).

[41] *Orders To Revenue Functionaries In Eastern Tarai Districts To Send Delegations To Kathmandu*, Ashadh Badi 3, 1857 (June 1800). (19/6); *Order Regarding Complaints Of Ryots Of Bara And Parsa*, Kartik Sudi 7, 1853 (November 1796). (23/169).

[42] *Order To Subba Brahmanand Padhya And Faujdar Mahima Khawas Regarding Complaints Of Ryots Of Saptari*, Shrawan Badi 14, 1857 (July 1800). (19/12).

[43] *Ibid*.

[44] *Order Regarding Refundment Of Unauthorized Collections In Morang*, Baisakh Sudi 2, 1862 (April 1805). (20/247); *Order Regarding Refundment of Unauthorized Collections In Bara And Parsa*, Baisakh Badi 30, 1861 (April 1804). (2/55).

[45] *Order To Bandhu Khawas To Study Agrarian Conditions In Eastern Tarai Districts*, Baisakh Badi 1, 1862 (April 1805). (5/498).

According to an official admission, in Morang district in 1805, "oppression is rampant and no subject, high or low, gets justice."[46] Revenue from the eastern Tarai districts accordingly declined to a considerable extent, as the following table will show:

Revenue Collection In Some Eastern Tarai Districts,

1791-1807

(N. A. - Not Available)

Year	*Morang*	*Saptari-Mahottari*	*Rautahat*
	Rs	Rs	Rs
1791	N. A.	92,001[52]	14,001[55]
1794	80,601[47]	X	14,501[56]
1795	90,601[48]	52,043[53]	N. A.
1798	98,601[49]	N. A.	N. A.
1803	67,001[50]	N. A.	10,001[57]
1805	72,002[51]	N. A.	11,001[58]
1807	N. A.	46,668[54]	N. A.

The progressive decline in revenue and depopulation in the eastern Tarai districts after 1793 cannot be attributed solely to the "push" factors of over-taxation and oppression in other forms. There were also a number of "pull" factors operating from the Indian side. The permanent settlement introduced by the East India Company in Bengal (which at that time included Bihar) in 1793, under which property rights in the land were vested in *Zamindars* and the land revenue demand of the government was fixed in perpetuity, had the extension of the cultivated area as one of its most important objectives.[59] A new *Zamindar* class with secure property rights in the land thus emerged, which gave an impetus to the reclamation of waste lands in areas adjoining Nepal's eastern Tarai.[60] Although the long-term effects of this settlement do not appear to have been very favorable to the peasantry, at least in a few areas[61] the newly-created *Zamindars* probably provided greater incentives to prospective settlers than the *Amanat* revenue collectors on the Nepali side.[62] In any case, it appears doubtful in these circumstances that the Nepali authorities were able to attract settlers from India as the government from time to time directed them to do. In 1792, the government of Nepal had ruefully admitted that "our Tarai region is desolate, because there are no *Zamindars* in the land."[63]

Amanat collection was thus only an occasional interlude in the history of revenue collection in the eastern Tarai region in the period up to the 1814-16 Nepal-British war. By 1795, the entire eastern Tarai districts had been brought under the *Ijara* system.[64] Subsequently, judges were deputed to dispose of complaints against *Ijaradars* and other functionaries regarding the collection of unauthorized levies and oppression in other forms.[65] The objective of this measure was "to achieve the welfare of the poor because of the oppression rampant in the country."[66] But a conflict of jurisdiction arose between *Ijaradars* and these judicial officers. *Ijaradars* claimed that the governmental administration of justice affected their income and thus prevented them from meeting their contractual obligations to the government.[67] The government resolved this difficulty by directing its judges not to interfere in the judicial functions of *Ijaradars*, but only to hear complaints made against them.[68]

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[46] *Appointment Of Umanidhi Pantha As Dittha Of Adalat In Morang*, Jestha Sudi 13, 1862 (June 1805). (6/30).

[47] *Appointment Of Subba Zorawar Khawas As Ijaradar In Morang*, Marga Sudi 6, 1851 (December 1795). (24/509).

[48] *Ibid.*

[49] *Ibid.*

[50] *Ijara Grant To Subba Hastadal Shah For Revenue Collection in Morang*, Baisakh Badi 11, 1860 (April 1803). (20/44).

[51] *Ibid.*

[52] *Appointment Of Subba Sahadev Upadhyaya And Manikraj Khawas As Ijaradars In Saptari And Mahottari*, Kartik Sudi 15, 1848 (November 1791). (19/457).

[53] *Ijara Grant To Subba Dinanath Upadhyaya For Revenue Collection In Saptari And Mahottari*, Marga Badi 9, 1852 (November 1795). (40/450).

[54] *Ijara Grant To Subba Achal Thapa For Revenue Collection In Saptari And Mahottari*, Baisakh Badi 10, 1864 (April 1807). (20/279).

[55] *Appointment Of Subbas Zorawar Khawas And Bharath Khawas As Ijaradars In Bara, Parsa And Rautahat*. Kartik Sudi 15, 1848 (November 1791). (19/457).

[56] *Ibid.*

[57] *Appointment Of Subba Ritwarna Padhya As Ijaradar In Rautahat*, Shrawan Sudi 3, 1860 (July 1803). (20/116).

[58] *Ibid.*

[59] Sulekh Chandra Gupta, *Agrarian Relations And Early British Rule In India*, Bombay: Asia Publishing House, 1963, pp. 71-72.

[60] Narendra Krishna Sinha, *op. cit.*, Vol. 1, p. 172.

[61] Cf. B. R. Misra, *Land Revenue Policy In The United Provinces*, Benares: Nand Kishore & Bros, 1942, p. 22.

[62] Kirkpatrick had hinted at this possibility in 1793. He wrote, "The waste state of the country (i.e. the Tarai) ... is to be referred to the want of population, and to the defects of the government, which but ill understands the means of promoting it. It is rather extraordinary, perhaps, considering the temptations held out by the vicinity of the company's dominions, that this dreary tract should have any inhabitants at all; but it will be still more singular, if our late permanent settlement of the revenue, and recognition of proprietary right in the landholder, should not soon have the effect of entirely depopulating it." (Kirkpatrick, *op. cit.*, p. 15).

[63] Foreign Ministry (Jaisi kotha) Records, *Administrative Regulations Of The Government Of Nepal*, Falgun Badi 4, 1848 (February 1793). (1B/13). Section 9.

[64] Cf. *Bara-Parsa-Rautahat Administrative Regulations*, Poush Sudi 2, 1853 (December 1796), (23/231); *Appointment Of Subba Zorawar Khawas as Ijaradar In Morang*, Marga Sudi 6, 1851 (December 1794). (24/509); *Ijara Grant To Subba Dinanath Upadhyaya For Revenue Collection In Saptari And Mahottari*, Marga Badi 9, 1852 (November 1795). (40/450).

There is no evidence that the assignment of judicial officers to hear complaints of oppression against *Ijaradars* and other functionaries led to an improvement in the situation, however.[69] In 1807, complaints were again received from Bara and Parsa that *Ijaradars* were visiting villages in and out of season and exacting unpaid labor and provisions from the ryots, with the result that "the peasants are unable to cultivate their lands."[70] Much oppression was reported to have been committed in other ways too, and the country was ruined. The government reacted to the situation in a characteristic manner. The *Ijaradars* were held responsible for all such oppression and dismissed. The *Amanat* system was restored, and the ryots were told to submit fresh complaints if the *Amanat* officials collected taxes in excess of the rates prescribed in 1793. They were also instructed:[71]

> In case the *Amanat* system proves of advantage to us, and you make efforts to insure that it becomes so, those who demand *Ijaras* and criticize you will be silenced.

The tone of the instruction, which is almost apologetic, reflects the pressure on the government to restore the *Ijara* system.

Local Functionaries Under Ijara System In Eastern Tarai

Ijaradars were often permitted to demand remissions when crops failed as a result of natural calamities.[72] But in actual practice, the government felt extremely reluctant to grant such remission. In 1797, the *Ijaradar* of Saptari and Mahottari districts pleaded for remissions on the ground that drought had led to a failure of crops. The government replied:[73]

> Once a contract is signed, it is justice to make collections accordingly. Where crops have been good, people will pay willingly. Where crops have failed, they may have to compensate the loss themselves.

Ijaradars therefore attempted to mitigate their risks by appointing subcontractors for the collection of revenue at the local level.[74] These subcontracts were officially recognized. When *Ijaradars* issued *Ijaras* in their own behalf in the district, the subcontractors were under statutory obligation to make the stipulated payments.[75]

These subcontracts were generally issued to local functionaries at different levels,[76] but not necessarily because they were the traditional leaders of the village community. Subcontracts were offered to the highest bidder, and local functionaries who secured them by submitting the highest bids were liable to be dismissed at any time even during the term of such subcontracts if another person offered a higher bid which they were not in a position to match.[77] In the keen competition which followed, bidders were intent only on squeezing the peasantry in order to maximize their profits. The question of fixed tax assessment rates and prescribed revenue collection procedures therefore became irrelevant. In the words of a deputation of peasants which visited Kathmandu in early 1805 from Morang district:[78]

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[65] *Order Regarding Establishment Of Adalat In Bara, Parsa And Raulahat,* Jestha Badi, 1862 (May 1805). (20/198); *Orders To Ditthas Of Adalats In Eastern Tarai Districts,* Aswin Badi 13, 1862 (September 1805). (19/255); *Judicial Regulations For Morang,* Jestha Sudi 14, 1862 (June 1805). (19/59).

[66] *Instructions To Laxmi Narayan Pandit,* Baisakh Sudi 6, 1862 (May 1805). (20/228).

[67] This situation was not confined to the eastern Tarai districts. In Bhadgaun, in 1805: "Actual revenue assessment amounts to Rs17, 500 or Rs 18,000. A sum of Rs 8,000 or Rs 10,000 is added on account of judicial fines, escheats, etc, and the *Ijara* is taken up for Rs. 27,000 or Rs 28,000. The amount stipulated by the *Ijara* may therefore be affected if justice is administered by the government." *Order To Bicharis Yagnyanidhi Tiwari and Bale Pathak Regarding Revenue Collection In Bhadgaun,* Aswin Badi 6, 1862 (September 1865). (79/251).

[68] *Order To Ditthas Of Adalats In Eastern Tarai Districts,* Aswin Badi 13, 1862 (September 1805). (19/255).

[69] One reason why this was so was provided by events which occurred in Bhadgaun in 1805. Reports were then received that the revenue collector of Bhadgaun had collected unauthorized taxes from the people and harassed them in may ways. Officials who were sent to investigate started exercising judicial authority without permission and appropriating fines levied in the course thereof. A senior official was then sent there to put these officials in chains and send them to the palace [*Order To Dittha Sandhya Vaidya Regarding Oppression In Bhadgaun,* Jestha Sudi 8, 1802 (June 1805). (19/57), as well as to dispose of complaints against the revenue collector.] Inspectors and judges sent from time to time to dispose of the complaints of the ryots thus themselves succumbed to the malpractices which *Ijaradars* and other revenue collection functionaries were charged with having indulged in.

[70] *Notification Regarding Introduction Of Amanat System in Bara And Parsa,* Baisakh Badi 10, 1864 (April 1807). (20/277).

[71] *Ibid.*

[72] Cf. *Saptari-Mahottari Administrative Regulations,* Kartik Sudi 15, 1848 (November 1791). (5/76). Section 6; *Bara-Persa Administrative Regulations,* Ashadh Sudi 6, 1843 (June 1786). (25/148). Section 4.

[73] *Order Regarding Remission Of Land Taxes In Saptari And Mahottari,* Poush Sudi 15, 1853 (January 1797). (5/342).

[74] *Ibid.*

[75] Cf. *Confirmation of 1793 Tax Assessment Rates In Mahottari,* Kartik Sudi 9, 1866 (November 1809). (40/111).

[76] Cf. *Order Regarding Remission Of Land Taxes In Saptari And Mahottari,* Poush Sudi 15, 1853 (January 1797). (5/342); *Order To Chaudharis And Mokaddams In Bara And Parsa Regarding Tax Remissions On False Grounds,* Bhadra Badi 4, 1867 (August 1710). (39/342).

[77] *Order Regarding Complaints Of Oppression In Eastern Tarai Districts,* Chaitra Badi 9, 1867 (March 1811). (36/256).

> *Subbas*[79] sign contracts with the government and *Chaudharis* take up *Ijaras* from them. The amounts thus stipulated fall on our heads. The rates fixed by the government are not observed.

Ijaras for the collection of revenue were issued by *Amanat* officials too at the village level in favor of the traditional local functionaries.[80] However, the direct relationship which existed between the government and these functionaries before the Gorkhali conquest[81] was disrupted under both the *Ijara* and the *Amanat* systems, since they now functioned primarily as agents or contractors on behalf of *Ijaradars* and *Amanat* administrators, and did not collect revenue directly on behalf of the government. In 1812, local functionaries in Saptari and Mahottari districts were therefore told:[82]

> Revenue assessment and collection functions are handled by the *Subba* and other officials. But you only enjoy the lands assigned to you as your emoluments and sit at home doing nothing.

They were thereupon assigned the task of reclaiming waste lands in the areas under their jurisdiction.[83]

Revenue Administration In Eastern Tarai On Eve Of Nepal-British War

In 1809, ryots from Saptari, Mahottari[84] and elsewhere in the eastern Tarai visited Kathmandu with complaints that *Ijaradars* were collecting taxes in excess of the rates prescribed in 1793 as well as making unauthorized collections and otherwise oppressing them. The government deputed officials to investigate these complaints and have excess collections, if any, refunded to the ryots. Significantly, it also directed these officials to help *Ijaradars* in collecting payments due to them. Presumably in view of these developments, the *Amanat* system was revived in the eastern Tarai districts.[85] On the eve of the Nepal-British war (1814-16) these districts,[86] with the exception of Saptari and Mahottari,[87] were still under *Amanat*. However, the government's failure to control revenue officials and functionaries at the local level under either of these systems and the frequent switch-over from one system to the other had an adverse repercussion on the total amount of revenue collected. This is evident from the fact that in 1814 the revenue stipulated under the *Ijara* system in Saptari and Mahottari was only Rs 66,201[88] that is, less than two-thirds of the amount stipulated in 1791.

Critique Of Ijara And Amanat Systems Of Revenue Collection

In an earlier chapter, we had pointed out that the primary objective of fiscal policy was to maximize revenue while insuring that the people were not overly oppressed through the collection of unauthorized taxes and levies. Neither the *Ijara* nor the *Amanat* system contributed fully to the attainment of these twin objectives. In fact, the government faced a dilemma: the *Ijara* system insured a regular revenue but ruined the country and the people. It was true, of course, that *Amanat* officials too were scarcely less oppressive than *Ijaradars*, but it was possible to exercise greater control over them. The drawback was that the government did not know what actual collections should amount to, or whether accounts were being manipulated to show less revenue than what had actually been collected. Nevertheless, the evidence we have presented above shows that the Gorkhali rulers generally preferred to collect revenue through the *Ijara* system and that they resorted to the *Amanat* system only when it was not considered politically or administratively expedient to appoint *Ijaradars*.

It is true, of course, that the Gorkhali rulers realized that the *Ijaradar's* gain was their loss. This was the obvious reason which led Prithvi Narayan Shah to decree that no *Ijara* should be given out in the Kingdom, but that the government should establish its own offices for the collection of revenue.[89] Administrative regulations promulgated in early 1793 referred to the pernicious effects of the *Ijara* system and noted, in particular, that it had rendered the entire Tarai region desolate.[90] The regulations added:[91]

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[78] *Order To Swarup Puri And Other Officials In Morang Regarding Complaints Of Ryots*, Ashadh Badi 3, 1862 (June 1805). (5/514).

[79] The term *Subba* refers to district-level revenue collectors under both *Ijara* and *Amanat* systems.

[80] *Order To Subba Dasharath Khatri Regarding Ijaras For Revenue Collection In Bara And Parsa*, Aswin Sudi 13, 1851 (September 1794). (5/752); *Order To Subba Laxmi Narayan Pandit Regarding Ijaras For Revenue Collection In Saptari And Mahottari*, Marga Sudi 14, 1851 (December 1794). (24/519); *Revenue Regulations For Bara And Parsa*, Chaitra Badi 5, 1868 (March 1812). (40/396). Section 4.

[81] Cf. *Reinstatement Of Manbodhi Chaudhari In Tokani, Bara District*, Poush Badi 7, 1851 (December 1794). (5/301); *Reinstatement Of Hem Chaudhari In Khalise, Saptari District*, Magh Sudi 8, 1863 (February 1806) (5/128).

[82] *Order To Chaudharis In Saptari And Mahottari*, Chaitra Sudi 5, 1868 (March 1812). (40/404).

[83] *Ibid*; *Order To Chaudharis In Morang Regarding Reclamation of Waste Lands*, Aswin Badi 30, 1872 (September 1815). (42/74).

[84] *Regulations For Mahottari District*, Marga Badi 9, 1866 (November 1809). (40/131). Preamble; *Confirmation Of 1793 Tax Assessment Rates In Mahottari*, Kartik Sudi 9, 1866 (November 1809). (40/111).

[85] *Revenue Regulations For Bara And Parsa*, Baisakh Sudi 5, 1876 (April 1810). (39/165).

[86] *Revenue Regulations For Morang*, Bhadra Sudi 10, 1871 (September 1814). (41/603).

[87] *Regulations For Saptari And Mahottari*, Kartik Sudi 13, 1871 (November 1814). (41/421).

[88] *Appointment Of Balabhanjan Pande As Ijaradar In Saptari And Mahottari*, Kartik Sudi 13, 1871 (November 1814). (41/418).

> This is due to the practice of giving out large areas to a single person under the *Ijara* system. The ryots cannot approach the palace to represent their grievances, because the palace is far away and (the journey) requires 10 or 20 rupees. Those who are not allotted any land pay 2 or 4 rupees more to the revenue collector, please him thus and settle down. Those who do not get any land become homeless and migrate abroad.

The situation could hardly be different since the sole objective of *Ijaradars* was to make as much money as they could during the brief period of their authority. Moreover, once an *Ijaradar* was appointed, there appears to have been little that the government could do to maintain control over him beyond reminding him that "sin will accrue if unauthorized taxes are collected."[92] Moreover, the *Ijaradar* was left with no alternative but to indulge in such malpractices. Usually, *Ijaras* were given on the basis of the actual revenue assessment. But there were also cases in which *Ijaradars* were dismissed before the expiry of their term because someone else had offered a higher amount.[93] Bidding thus appears to have been practised.[94] This enhanced the stipulated revenue to such high figures that the *Ijaradar* was compelled to shift the burden on the ryots. Directives from the government that *Ijaradars* should derive their profits by extending the cultivated area and promoting settlement, and not by increasing the tax burden on existing ryots, thus had little practical meaning.[95] Moreover, the *Ijaradar* was generally expected to supply funds to the government according to need irrespective of the size of actual collections. There were cases in which the *Ijaradar* was directed to deposit a part of the stipulated amount on the very day of his appointment,[96] even before he had time to collect

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[89] Dibya Upadesh *op. cit.*, p. 19.

[90] Foreign Ministry (Jaisikotha) Records, *Administrative Regulations Of The Government Of Nepal*, Falgun Badi 4, 1848 (February 1793). (1B/13). Section 9.

[91] *Ibid.*

[92] *Order To Kaji Gajakesar Pande Regarding Unauthorized Revenue Collections*, Ashadh Badi 9, 1860 (June 1803). (20/74).

[93] *Order To Thituwa Bisht Regarding Ijara For Revenue Collection In Barhagaun*, Ashadh Sudi 12, 1862 (July 1895). (6/123).

[94] *Order To Mahima Khawas Regarding Revenue Collection On Jagir Lands In Eastern Tarai District*, Jestha Sudi 15, 1864 (June 1807). (20/396).

[95] *Ibid*; *Order To Bishwanidhi Tiwari And Others Regarding Unauthorized Revenue Collections*, Ashadh Badi, 12, 1843 (June 1706). (36/517).

[96] Cf. *Receipt For Ijara Revenues Remitted By Chautariya Dalamardan Shah*, Ashadh Sudi 6, 1843 (July 1785). (25/144).

the revenues. Disbursement orders were issued for different purposes before funds were deposited at the government treasury.[97] Thus the *Ijaradar* was not only a revenue collector but also a financier.

The possibility of drawing revenue in advance explains only partly the government's predelection for the *Ijara* system.[98] Another important advantage of this system, from the viewpoint of the government, was that it insured a guaranteed income.[99] Once the value of an *Ijara* was stipulated, the government was reasonably sure that the amount would accrue to it. Under the *Amanat* system, on the other hand, the possibility of forecasting the actual size of revenue collection was always remote.

Moreover, the *Ijara* system enabled the government to obtain an amount of revenue which was seldom possible under the *Amanat* system. We may ignore for a moment the fact that the *Ijaradar* was able to give closer personal attention and supervision to revenue collection than the government. What is more pertinent in this context is that the *Ijardar* could quote a figure much higher than the actual revenue assessment because he was in a position to extort additional pecuniary benefits from the people under his jurisdiction. This is not to say that such extortions were not made from the people under the *Amanat* system,[100] but in that case the profits were pocketed by officials and functionaries appointed by the government. The *Ijara* system thus enabled the government to capitalize on these extortions. In case the oppression proved intolerable for the people, the government could use the *Ijaradar* as a scapegoat and remove him.

Under the *Ijara* system, therefore, the government was sometimes able to increase its revenue even without any expansion of economic activity, although the long-term effects were disastrous, as the example of the eastern Tarai would show. In the Tistung-Palung area of Makwanpur district, *Ijara* revenue more than doubled during a period of 5 years from 1793 to 1797, from Rs 1401 to Rs 3001 yearly[101]. This does not appear to have been an isolated instance. Revenue collection in Thak-Khola[102] was thus under an *Ijaradar* in 1798. Many people left the area to escape the oppression of the *Ijaradar*.[103] In 1802, the *Ijara* system was therefore abolished, and revenue collection was entrusted to local village headmen on payment of Rs 6,900 yearly.[104] After repeated attempts to increase the amount through the reintroduction of the *Ijara* system,[105] the government finally settled for a sum of Rs 13,000 in 1811.[106] Revenue from the Thak-Khola area thus increased from Rs 6,900 to Rs 13,000, that is, by 88.4%, during a period of 9 years between 1802 and 1811, even though the local people were complaining of oppression and shifting to other areas.

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[97] Cf. *Orders For Disbursement Of Funds From Ijara Revenues Of Parsa, Reutahat, Mahottari and Morang For Wedding Of Chautariya Sher Bahadur Shah*, Marga Sudi 11, 1856 (December 1799). (24/4).

[98] This predelection often led the government to use force when prospective *Ijaradars* were not available. Regulations promulgated for Majhkirat in 1805 thus prescribed that in case any person who had taken up an *Ijara* previously refused to do so again when asked, he should be punished. (*Majhkirat Administrative Regulations*, Jestha Badi 12, 1862 (May 1805). (5/543). Section 2.

[99] *Instructions Regarding Operation Of Mines Under Ijara In Western Hill Regions*, Bhadra Sudi 13, 1862 (September 1805). (6/417).

[100] Francis Hamilton, in his description of Morang district at the time it was under the *Amanat* system, thus observed: "The whole amount which the Subah collected in the year 1809-10 is said to have been 131,425 rupees, out of which the Subah pays 80,000 rupees to government; and his share of the Rajangke, and presents to the twelve great officers of State, usually amount to 20,000 rupees more; but this is probably compensated by similar exactions that he makes from his inferiors." (Hamilton, *op. cit.*, p. 154). The term "Rajangke" refers to royal palace levies.

The government of Nepal was thus unable to devise a viable system of revenue collection in any part of the country. Funds were always scarce, and the government consequently tended to depend primarily upon the *Ijara* system, which enabled it not only to ascertain in advance the amount of revenue due from any region or source but also often to receive or disburse funds in advance of actual collections. *Ijaradars*, however, naturally tried to maximize their earnings during the short time available to them. But if the people were over-taxed and oppressed under *Ijaradars*, *Amanat* administrators too proved hardly better. In this process of the alternate experimentation between *Ijara* and *Amanat*, the traditional village headman at best remained a passive spectator and at worst colluded actively with the powers

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[101] *Ijara Grant To Keshar Singh For Revenue Collection In Tistung-Palung*, Falgun Sudi 15, 1849 (March 1793). (25/247); *Ijara Grant To Anirudra Baniya For Revenue Collection In Tistung-Palung*, Jestha Sudi 5, 1854 (May 1797). (25/486).

[102] Thak-Khola is situated in a high valley enclosing the upper course of the Kali-Gandaki river. One of the most ancient and important trade routes linking India, Nepal and Tibet ran through this area. The people of Thak-Khola were therefore predominantly engaged in trans-Himalayan trade. [Christoph von Fürer-Haimendorf (ed) *Caste & Kin In Nepal, India & Ceylon*, Bombay: Asia Publishing House, 1966, p. 140.] They conducted trade not only with Tibet but also with Kagbeni, Mustang and Chharka, and with Patan in Kathmandu Valley. [*Revenue Collection Arrangements In Thak*, Kartik Badi 10, 1860 (October 1803). (19/130).]

[103] *Appeal To Inhabitants Of Thak To Return Home*, Aswin Sudi 6, 1855 (September 1798). (24/598).

[104] *Abolition Of Ijara System In Thak-Theni*, Shrawan Badi 1, 1859. (July 1802). (24/572).

[105] Cf. *Ijara Grant To Dware Bhawanand For Revenue Collection In Thak*, Aswin Sudi 1, 1864 (September 1807). (6/1045).

[106] *Orders Regarding Revenue Collection In Thak*, Baisakh Sudi 10, 1868 (May 1811). (40/202).

that be, *Ijaradar* or *Amanat* official, to the invariable disadvantage of the ryot. Preoccupied as they were with the problem of maximizing the revenue, the Gorkhali rulers were too overwhelmed with short-term problems to have been able to pay attention to the slow process of creating a well-organized revenue collection machinery. Officials and functionaries who were entrusted with the task of collecting the revenue were therefore given a more or less free hand in dealing with the ryots, and the government interfered only when public dissatisfaction became acute and resulted in depopulation. It should be noted, however, that the period from political unification to the Nepal-British war was one of military expansion, and it was perhaps not surprising that the government had little time to pay close attention to such an administrative problem as the reform of the revenue collection machinery.

There are frequent references in official documents of this period to the emigration of the peasantry because of administrative oppression or the high level of taxation. There is no doubt that such practices caused much suffering to the people. However, they do not in themselves provide a sufficient motivation for actually leaving lands and homesteads that had been occupied for several years or even generations past. It is therefore possible that such emigration was temporary and that the emigrant could come back and reoccupy the land whenever he liked. But we can obtain a realistic picture of agrarian conditions in the Tarai regions of Nepal during the early nineteenth century only against the backdrop of conditions then prevailing in India. In other words, if the peasantry in these regions were indigent, their counterparts in the adjoining areas of India were scarcely any better. In 1808, local officers in the then United Provinces of India "deprecated a permanent settlement (of the revenue) as the country at that time was impoverished and depopulated." They reported:[107]

> Almost all the early collectors (in the United Provinces) deplore the depopulation of their districts and refer to extensive tracts of desolate waste lands. There is abundant evidence that this was the case. In Cawnpore, ... "The subjects in this part of the country are in the most abject poverty. Let the face of the country be examined and there will hardly be a manufacture found, or an individual in such circumstances as to afford the payment of a tax. The whole is one desolate waste, in which tyranny and oppression have hitherto universally prevailed."

The similarity of this observation to the admission of the government of Nepal in 1793, that ryots in the eastern Tarai had been oppressed and unjustly treated, and that the country had been ruined, is striking.

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[107] B. R. Misra, *op. cit.*, p. 22.

CHAPTER VIII

GENERAL ECONOMIC POLICIES AND PROGRAMS

In the preceding chapters, we have made a general study of economic conditions in Nepal till the 1814-16 Nepal-British war. This study has so far been devoted primarily to land tenure and agrarian conditions from the viewpoint of efforts made by the government to mobilize financial and manpower resources for financing its military campaigns. Not much attention has been given to policies and programs aimed at increasing production and generally developing the national economy. The primary emphasis placed on land tenure and agrarian conditions would seem appropriate in view of the overwhelming importance of agriculture in the economic life of Nepal, both then and now. In contrast, the policies and measures then undertaken by the government of Nepal in non-agrarian fields do not appear to have had a comparable impact on the economic life of the people. There is no evidence that they brought about any far-reaching or significant change in the volume or processes of production.

It must be stressed at the very outset that the economic policies advocated by the Gorkhali rulers during this period had much in common with the views held by mercantilist economists and statesmen in Europe in the eighteenth and early nineteenth centuries. For mercantilists, the subjects of the State were only a means to an end, i.e., the power of the State itself. Prithvi Narayan Shah accordingly declared that "the palace will become strong if the subjects are fat."[1] In his view, the subjects were only "store-houses" of the King, whose real strength depended upon proper control of the army and the subjects.[2] Like the mercantilists, Prithvi Narayan Shah believed that wealth consists in money, or in gold and silver, and that the objective of State policy should therefore be to increase production, check the outflow of wealth and encourage its inflow. Such views are, of course, contrary to modern economic principles, but criticism of them solely for this reason would be beside the point. We are here concerned primarily with the fact that the economic thinking of the government of Nepal during this period was largely influenced by these views. This does not necessarily mean that its policies and programs were actually based on the mercantilist

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[1] *Dibya Upadesh, op. cit.*, p. 19.

[2] *Loc. cit.*

model, however, for too often expediency rather than long-term goals determined the course of action which it actually followed.

Land Reclamation And Settlement

The Gorkhali rulers attached considerable imortance to land reclamation and settlement. Prithvi Narayan Shah directed :[3]

> In case there are houses on lands which can be converted into fields, these shall be shifted elsewhere; irrigation channels shall be constructed, and the field shall then be cultivated.

The primary objective of land reclamation and settlement was to increase revenue and thus finance the growing military expenditure.[4] Security of border and strategic areas was another consideration.[5] Local officials were accordingly directed to insure that people did not vacate areas adjoining the borders.[6] The government at times even ignored misappropriation of revenues by local functionaries in border areas in an effort to prevent their depopulation.[7]

In view of the low density of population, local administrators were encouraged to procure settlers from India and allot waste lands to them for reclamation wherever possible.[8] Revenue collectors were often under obligation to settle a specified number of such immigrant families every year.[9] Officials were sent to the eastern Tarai districts from time to time after 1793 to make arragements for irrigation facilities in order to promote land reclamation and settlement.[10] Regulations issued in this connection empowered them to allot waste lands to settlers from India who undertook to construct huts after one year. Local landowners and other prominent persons were allotted waste lands for reclamation on a compulsory basis.[11] Arrangements were also made for the construction of irrigation channels at government expense.[12] Such measures were undertaken on a systematic basis in the eastern[13] and western hill areas[14] also. In 1811, an officer was appointed in Kathmandu to coordinate reclamation and settlement of waste lands all over the country.[15]

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[3] *Ibid*, p. 26.

[4] Cf. *Instructions To Hemakarna Thapa Regarding Land Survey And Reclamation In Tumlingtar*, Baisakh Sudi 4, 1862 (April 1805). (20/224).

[5] Cf. *Instructions To Bishnu Padhya And Jethabudha Benudhar Regarding Land Reclamation In Rapti valley*, Jetha Badi 13, 1862 (May 1805). (5/574).

[6] Cf. *Order To Amalidars Of Satsayabhot In Jumla*, Chaitra Badi 9, 1856 (March 1800). (1A/131). According to this order: "The inhabitants of Chharka and Lagukhola have left their homes and shifted to Satsayabhot. But nobody shall be allowed to vacate border areas and shift elsewhere."

[7] Cf. *Order To Bahadur Thapa And Ishwar Khatri Regarding Revenue Collection In Solukhumbu*, Jestha Sudi 4, 1862 (May 1805). (20/167). These officials were directed not to raise any objection to the appropriation of the proceeds of the *Jhara* levy by local revenue functionaries on the ground that "Solukhumbu is a border area."

[8] Cf. *Morang Revenue Regulations*, Shrawan Sudi 2. 1855 (July 1798).

[9] Cf. *Rautahat Administrative Regulations*, Kartik Badi 6, 1862 (October 1806). (6/604). Section 11.

[10] Cf. *Revenue Regulations For Eastern Tarai Districts*, Ashadh Sudi 10, 1850 (July 1793). (5/246). Section 2; *Land Reclamation Regulations* For Eastern Tarai Districts, Marga Badi 12, 1856 (November 1799). (23/508).

In the early stages, the government undertook the reclamation of waste lands through forced labor under its direct supervision and control. But it soon came to the conclusion that "waste lands cannot be reclaimed through forced labor",[16] possibly because of the non-availability of tenants to cultivate lands once these were reclaimed. Although this practice was not entirely given up,[17] waste lands were increasingly allotted to individual peasants for reclamation and cultivation. With the objective of making such efforts attractive, no rents were charged on the reclaimed land for an initial period ranging from one to four years according to local conditions.[18] Tax-free land grants were promised to persons who executed reclamation projects.[19] In addition, the government provided funds for the construction of irrigation channels and the supply of credit to settlers.[20]

Land reclamation through individual enterprise does not appear to have been overly successful, however. It was difficult to organize the provision of credit and other facilities to individual settlers, since suitable administrative machinery was not available at the local level. Moreover, the government naturally

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[11] *Ibid.*

[12] *Orders Regarding Land Reclamation And Irrigation In Eastern Tarai District*, Marga Sudi 1, 1856 (November 1799). (23/516).

[13] Cf. *Pallokirat Administrative Regulations*, Chaitra Sudi 13, 1853 (April 1797). (25/342).

[14] Cf. *Order Regarding Land Reclamation In Kaski*, Marga Sudi 12, 1856 (December 1799). (24/9).

[15] *Notification Regarding Grant Of Authority To Kaji Birkesar Pande To Urbanize Land Reclamation Measures*, Kartik Sudi 4, 1868 (October 1811). (40/296).

[16] Cf. *Order Regarding Land Reclamation In Mardanpur And Other Areas*, Shrawan Badi 9, 1862 (July 1805). (6/231).

[17] Cf. *Order To Kaji Bahadur Bhandari Regarding Rent Assessments On Jagir Lands In The Eastern Hill Region*, Ashadh Badi 6, 1885 (June 1828). (43/111).

[18] Cf. *Land Regulations For Bheri-Mahakali Region*, Jestha Badi 10, 1862 (May 1805). (5/545). Section 17; *Instructions To Bishnu Padhya And Jethabudha Benudhar Regarding Land Reclamation In Rapti valley*, Jestha Badi 13, 1862 (May 1805). (5/574); *Adhiya Land Grant To Bishram Raut In Chainpur*, Kartik Badi 1, 1861 (October 1804). (2/178).

[19] Cf. *Order To Prajapati Padhya Regarding Land Reclamation In Arun-Tista Region*, Baisakh Sudi 10, 1862 (May 1805). (5/572).

[20] Cf. *Regulations For Fouzdars In Saptari And Mahottari*, Magh Sudi 4, 1837 (January 1781). (5/596). Section 6; *Allocation Of Funds For Supply Of Agricultural Credit In Morang*, Bhadra Sudi 2, 1865 (August 1808). (36/154).

desired to minimize its financial obligation in the implementation of land reclamation and settlement policies. This desire, coupled with the strict terms and conditions on which credit facilities were made available to individual settlers, inhibited the execution of reclamation programs on a large scale through private enterprise. The rate of interest was, no doubt, relatively low at 12½ % yearly,[21] but loans were issued only if respectable local persons provided surety without any financial consideration. The total cost of loans was thus much higher than the rate of interest alone would indicate. It should also be noted that such loans were often repayable within a year,[22] thus leaving little time for settlers to take full advantage of such facilities.

Contracts to individual entrepreneurs for the reclamation of relatively large areas of waste lands marked the culmination of the series of experiments undertaken by the government during the late eighteenth and early nineteenth centuries to promote land reclamation and settlement. Such contracts were granted to local landowners and other persons who possessed sufficient resources to execute settlement projects without any financial or other obligation on the part of the government.[23] The contractors paid the stipulated revenue to the government, which increased every year during the prescribed number of years. In consideration of this payment, they were permitted to appropriate all taxes and other revenues paid by settlers on the lands reclaimed by them.[24] This arrangement proved to be of advantage to both the government and the contractor. While the government was able to derive the benefits of land reclamation without any corresponding obligation and investment, individuals found scope for profitable enterprise. In view of such profitability, not only local landowners and revenue functionaries but even senior government officials,[25] including Prime Minister Bhimsen Thapa,[26] took up contracts for the reclamation of waste lands in the Tarai.

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[21] *Regulations For Morang*, Magh Sudi 11, 1873 (February 1817). (36/364). Section 7; *Rautahat Administrative Regulations*, *Kartik* Badi 6, 1862 (October 1805). (6/604). Section 11; *Revenue Regulations For Bara And Parsa*, Chaitra Badi 5, 1868 (March 1812), (40/399). Section 7.

[22] Cf. *Rautahat Administrative Regulation* Kartik Badi 6, 1862 (October 1805). (6/604).

[23] Cf. *Land Reclamation Regulations For Morang*, Magh Badi 9, 1856 (January 1800). (24/75). Section 3.

[24] Cf. *Ijara Grant To Nandan Chaudhari For Land Reclamation In Parsa*, Jestha Sudi 6, 1867 (May 1810). (39/215).

[25] Cf. *Ijara Grant To Subba Jalim Singh For Land Reclamation In Sidhmas*, Baisakh Sudi 5, 1867 (April 1810). (39/179).

[26] *Ijara Grant To Kaji Bhimsen Thapa For Land Reclamation In Tokani*, Bara Ashadh Badi 7, 1865 (June 1808). (36/120).

In the eastern Tarai regions, permission was freely granted to individuals for the reclamation of virgin lands as well as lands which had reverted to waste. In such cases, the land tax was assessed for each *mauja* without any reference to the area. However, once the land was reclaimed, local authorities revoked the permission, and allotted the lands to new persons on payment of higher amounts. In 1793, the government promulgated an order which contained the assurance that permission for the reclamation of waste lands issued by local authorities would be confirmed through royal order. On the expiry of the stipulated period, the lands were registered on a taxable basis in the name of the person who had reclaimed them. He was usually under obligation to procure settlers from India, collect land taxes from them and transmit the proceeds to the government after providing for the expenses of collection. He was permitted to retain the best land for his own use and guaranteed security of tenure unless he committed an offense.[27]

The main difficulty faced by the government in executing land reclamation schemes was the low density of population. Officials and functionaries responsible for the execution of such chemes wer therefore ordered to attract settlers from Tibet and India,[28] or even from *Jagir* or *Birta* lands inside the country.[29] *Birta* owners, on the other hand, were prohibited from attracting ryots from *Jagir* or *Raikar* lands.[30]

Even then, the government appears to have achieved considerable success in its land reclamation and settlement policies, particularly in the eastern Tarai districts. A contemporary English official noted that "they have cleared much of the country."[31] Many villages, which were waste or under forest

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[27] *Order Regarding Reclamation Of Waste Lands In Eastern Tarai Districts*, Aswin Badi 8, 1850 (September 1793). (26/26).

[28] Cf. *Order To Champa Singh Gurung Regarding Reclamation Of Waste Lands In Cheinpur*, Jestha Sudi 5, 1862 (May 1805). (5/488); *Arrangements For Reclamation Of Waste Lands In Areas East Of The Koshi*, Shrawan Sudi 12, 1868 (July 1811). (40/245).

[29] Cf. *Instructions To Bishnu Padhya And Jethabudha Benudhar Regarding Land Reclamation In Rapti Valley*, Jestha Badi 13, 1862 (May 1805). (5/574); *Rautahat Administrative Regulations*, Kartik Badi 6, 1862 (October 1895). (6/694). Section 11.

[30] Cf. *Order To Birta Owners And Others In Saptari And Mahottari Regarding Diversion Of Ryots From Raikar Lands*, Jestha Sudi 6, 1862 (May 1805). (6/12); *Order To Subba Shaktiballabh Padhya of Bara-Parsa To Furnish Names Of Birta Owners And Jagirdars Who Had Attracted Ryots From Raikar Lands*, Jestha Sudi 6, 1862 (May 1805). (5/536).

[31] Hamilton, *op. cit.*, p. 64.

in 1793,[32] had been reclaimed and settled by 1810. However, the shortage of manpower made efforts in this field appear comparatively insignificant. Large areas of cultivable lands thus remained waste in Morang,[33] Rautahat[34] and elsewhere. The same English official also noted that "still a great deal remains to be done."[35]

Trade And Commerce

The elimination of foreign interests from internal and foreign trade was a prime objective of commercial policy during the period after political unification. Prithvi Narayan Shah believed that foreign merchants would impoverish the people if they were allowed into the country.[36] He also directed:[37]

> The use of foreign cloth shall be prohibited. Local weavers shall be provided with samples and trained to weave (similar fabrics). If this is done, money will not flow outside. Herbs and drugs and other indigenous products shall be sent to foreign countries and [illegible] thus attracted.

Prithvi Narayan Shah wanted not only to reserve the foreign trade of the country for Nepalis alone, but also to supplant foreign sources for the supply of commodities. He therefore wrote to the Tibetan government:[38]

> ... that he wanted to establish factories at Kuti, Kerant and another place, upon the borders of Tibet and Nepal where the merchants of Tibet might purchase the commodities of his country and those of Bengal ... that he would allow the common articles of commerce to be transported through his kingdom, but no glasses or other curiosities, and desired them to prohibit the importation of them also; that he desired them further to have no connection with Fringies or Moghuls and not to admit them into the country.[39]

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[32] Cf. *Order To Subba Jayafar Regarding Tax Assessments In Sarlahi And Other Areas*, Aswin Badi 6, 1866 (September 1809). (40/102). According to this order, Sarlahi was "desolate" in 1793, but had been partially reclaimed in 1809. Dhanchhawar and other areas were similarly under forest in 1793, (*Orders Regarding Land Tax Assessments Rates In Dhanchhawar And Other Areas*, Jestha Badi 13, 1865 (May 1808). (26/102).

[33] *Morang Administrative Regulations*, Shrawan Sudi 2, 1855 (July 1798). (24/668). Section 14.

[34] *Rautahat Administrative Regulations*, Kartik Badi 6, 1862 (October 1805). (6/694). Section 11.

[35] Hamilton, *op. cit.*, p. 64.

[36] *Dibya Upadesh*, *op. cit.*, p. 18

[37] *Ibid*, p. 19.

[38] Markham, *op. cit.*, p. 158.

[39] Prithvi Narayan Shah's dislike for "glasses and other curiosities" is matched by an English mercantilist writer's condemnation of "ribbons. ruffles, silks" as extravagences of the poor approximately two decades earlier (Robert Lekachman, *A History of Economic Ideas*. Japan: Harper & Row, 1964 (International Student Reprint Edition), p. 40.

However, a general dislocation of commercial activity resulted from this policy. In 1774, George Bogle, who had been deputed by the English East India Company to explore the possibilties of opening trade between Tibet and India, reported from Lhasa that in Nepal:[40]

> The merchants, subject to heavy and arbitrary fines upon the most frivolous pretences, and obliged to purchase the protection of a tyrannical government by presents scarcely less oppressive, quitted a country where they could no longer enjoy that freedom and security which are the life of commerce. ... Only two Kashmiri houses remain, and the Rajah, afraid of their also abandoning him, obliges them to give security for the return of such agents as they have occasion to send beyond the boundaries of his dominions.

The Tibetan government too appears to have shared this criticism of Prithvi Narayan Shah's commercial policy. After his death, it wrote to his successor, Simha Pratap Shah:[41]

> ... desiring him to favor and protest commerce, and to allow all merchants, Hindus, and Mussalmans, to trade freely through his dominions for ... everybody is now afraid to enter your country and it will become poor and desolate.

Wars between Nepal and Tibet and China during the period from 1788 to 1793 resulted in a temporary dislocation of Nepal-Tibet trade. It soon revived, however. In 1795, approximately two years after the end of the war, we find the government of Nepal making arrangements for the collection of taxes from traders in Patan who were engaged in trade with Tibet.[42] The wars apparently had no effect on the business and customary privileges enjoyed by Newar traders in Tibet.[43]

Nepal signed a commercial treaty with the East India Company on March 1, 1792. The treaty provided for unrestricted trade between the two countries subject only to a reciprocal collection of customs duties at 2½% *ad valorem*.[44] The East India Company made several efforts to open commercial relations with Nepal after the conclusion of the 1792 commercial treaty, largely with an eye to the Tibetan market. But it appears to have been

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[40] Markham, *op. cit.*, p. 127.

[41] *Ibid*, p. 133.

[42] *Ijara Grant To Garbhu For Revenue Collection In Patan*, Chaitra Sudi 15, 1851 (April 1795). (40/425).

[43] Cf. *Appointment Of Paniju Ratan Singh As Nayak Of Newar Traders In Lhasa*, Jestha Sudi 4, 1861 (19/194); *Regulations For Nepali Traders In Lhasa*, Baisakh Sudi 9, 1867 (May 1810). (39/187).

[44] C. V. Aitchison, *A Collection of Treaties, Engagements, and Sunnuds, Relating to India And Neighbouring Countries*. Calcutta: Bengal Printing Co. Ltd., 1863, Vol. II, p. 197.

the desire to the government of Nepal to utilize the treaty to encourage its own exports to India rather than movement of goods from India to Tibet through its territory.[45] The treaty had therefore a checkered history. English traders complained that the government of Nepal was not letting their goods pass through its territory to Tibet.[46] But there is evidence that permission was granted to English merchants to export wax,[47] timber,[48] ghee[49] and other indigenous commodities to India, often even on a tax-free basis. Local officials who tried to prevent them from purchasing such commodities were severely reprimanded and ordered not to create trouble with agents of English merchants on minor matters.[50]

Kirkpatrick, who visited Nepal a year after the treaty was signed, admitted that it had removed some of the restrictions which had affected trade between Nepal and India. He pointed out, however, that such trade "is by no means extensive, nor consequently so beneficial to its government and inhabitants as it might soon be, under proper regulations." He reported to his government that Nepal-India trade:[51]

> ... still languishes, under impolitic restrictions, originating partly in the jealousy, and partly to the ignorance of the Nepal administration, but attributable also, in a great degree, to the monopolies which (certain merchants) have been long in possession of and which they labor to preserve by every insidious and corrupt means in their power.

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[45] To some extent, the unsatisfactory implementation of the treaty from the British viewpoint may have been due to the discrepancy between its English and Nepali versions. According to the English version, Article 6 of the Treaty read as follows: "When the merchants of either country, having paid the established duty, shall have transported their goods into the dominions of one or the other State, if such goods be sold within such State, it is well; but if such goods not meeting with sale, and that the said merchants be desirous to transport their said goods *to any other country beyond the limits of either of the respective States* included in the Treaty, the subjects and officers of these latter shall not take thereon any other or further duty than the fixed one levied at the first entry; and are not to exact double duties, but are to allow such goods to depart in all safety without opposition." (C. U. Aitchison, *op. cit.*, Vol. II, p. 197). However, the italicised words are missing from the Nepali version of the treaty. (Yogi Naraharinath (ed)., *Itihas Prakashma Sandhipatrasangraha* (A Collection of Treaties In Light In History), Dang: the editor, 2022 (1966), p. 2).

[46] K. C. Chaudhuri, *Anglo-Nepalese Relations*, Calcutta: Modern Book Agency (Private) Ltd, 1960, p. 72.

[47] *Passport To English Merchant Through Through Thankot And Parsa*, Poush Badi 12, 1849 (December 1792). (24/283).

[48] *Order Regarding Timber Sales To English Merchant*, Falgun Badi 7, 1857 (February 1801). (1A/181).

[49] *Order To Subba Zorawar Khawas Not To Interfere In Supply Of Ghee Purchased By English Traders*, Chaitra Sudi 13, 1849 (April 1793). (25/312).

[50] *Ibid*.

[51] Kirkpatrick, *op. cit.*, p. 204.

Nevertheless, he conceded that :[62]

> ... the government affords, on the whole, considerable protection to foreign merchants, rendering them in all cases, it would appear, as strict and as prompt justice as the imperfect nature of the general polity will admit.

The 1792 treaty was never actually inplemented, however. It had been proposed as a condition for British assistance in Nepal's war with China, but its utility disappeared when the war ended and the Chinese army withdrew from Nepali territory in November 1792. The government of Nepal was afraid lest formal commercial contacts with the English should have adverse political consequences. But this did not mean that commercial contacts between Nepal and India were entirely cut off. Indian merchants continued to operate in the interior markets of the country.[63] In fact, merchants from India were encouraged to open shops wherever possible, both in the hill areas[64] and in the Tarai.[65] Restrictions on trade with India appear to have been imposed only in the case of valuable commodities such as ivory and rhinoceros horn.[66] Indian commercial houses handled remittance facilities between Nepal and different towns in India.[67]

Francis Buchanan, who had been sent by the East India Company to study social and economic conditions in Purnea district of India adjoining Morang in 1809-10, reported that the government of Nepal "do not seem in some cases to have shown them (Indian traders) a particular indulgence." At the same time, he regretted that "it is totally inconsistent with the nature of their government to attend to complaints for the recovery of money from their subjects." Accordingly, "the losses of our merchants by bad debts are therefore heavy."[68] He estimated the total value of Nepal's exports to India at Rs 364,000 and of imports at Rs 71,000 and noted that the balance was paid by the East India Company's territory in silver.[59] This favorable balance was achieved mainly bacause imports form India were limited to government and royal requirements such as arms and clothing for troops and "the luxuries that are sent from Patna to Kathmandu."[60]

In the field of internal trade, the government sought to provide necessary facilities and encouragement to traders.[61] In 1792, customs offices for the collection of duties on Nepal-India trade were shifted from the border areas to the interior[62], so that traders should not be put to inconvenience in having their goods examined. Local officials were reprimanded if they harassed traders.[63] Nevertheless, the desire not to interfere in existing arrangements often prevented the government from abolishing practices which restricted the free flow of trade. The people of Asi and Panchasaya, both in Jumla district, were thus granted exclusive rights to trade in Dang and Salyan, and the people of Gam, also in Jumla, in Achham and Bajura.[64] Border trade between Nepal and Tibet was subject to a number of similar restrictions.[65] In the Satsayakhola area of Jumla, only such people were permitted to engage in such trade as had customarily been doing so. Commodities brought by traders from the Tibetan side were apportioned equally among them[66] Such restrictive practices, continued for no other obvious reason than that they were customary, naturally impeded the development of trade.

Available evidence indicates that the fiscal policy followed by the government after political unification also had a deleterious effect on manufacturing and commercial activities. Levies were collected on weavers[67] and dyers and printers of cloth. Metal utensils were officially stamped on payment of duties before

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[62] *Loc. cit.*

[63] Cf. *Order Regarding Rates Of Interest In Bhadgaun*, Kartik Sudi 12, 1861 (November 1804): (2/219); *Order Regarding Rates Of Interest In Dudhkoshi-Tista Region*, Chaitra Badi 8, 1863 (March 1807). (5/150); *Order Regarding Rates Of Interest In Trishuli-Marsyangdi Region*, Baisakh Sudi 5, 1862 (April 1805). (5/560). This order specifically mentions "Madhise" and "Gosain" traders.

[64] Cf. *Pallokirat Administrative Regulations*, Chaitra Sudi 13, 1853 (April 1797). (1A/15). Section 11. These regulations directed that traders from India should be encouraged to establish shops in the Pallokirat region.

[65] Cf. *Regulations For Management Of Bhadaruwa Market In Saptari*, Marga Sudi 3, 1966 (November 1809). (40/141). Section 1 of these regulations directed that wealthy traders from India should be encouraged to settle down at Bhadaruwa.

[66] *Ban On Export Of Ivory And Rhinoceros Horn From Morang*, Chaitra Sudi 1, 1863 (March 1807). (6/810).

[67] K. K. Datta, *op. cit.* p. 178; *Order Regarding Remittance of Funds To Banaras*, Jeshta Badi 8, 1862 (May 1805). (20/150).

[68] Buchanan, *op. cit.*, p. 576.

[59] *Ibid*, p. 574.

[60] *Loc. cit.*

[61] Cf. *Land Allotments To Newar And Bairagi Traders In Gorkha*, Marga Badi, 7, 1847 (November 1790). (5/27).

[62] *Order To Zorawar Khawas Regarding Collection Of Customs Duties*, Poush Sudi 5, 1849 (December 1792). (25/278).

[63] Cf. *Order To Military Officials Not To Exact Porterage Services From Traders In Chaudandi*, Aswin Sudi 7, 1864 (October 1807). (6/1048); *Order Regarding Begar Labor In Chharka*, Chaitra Badi 9, 1859 (March 1803). (24/167).

[64] *Order To Inhabitants Of Asi And Panchasayakhola Regarding Trade In Dang, Salyan And Elsewhere*, Falgun Badi 11, 1871 (February 1815). (24/645).

[65] *Restrictions Of Trading Rights Of Different Communities in Taklakhar*, Falgun Badi 11, 1871 (February 1815). (24/644).

[66] *Order Regarding Trade Between Humla And Tibet*, Magh Badi 3, 1871 (January 1815). (24/637).

[67] *Ijara Grant For Collection Of Levy From Weavers*, Chaitra Badi 12, 1837 (March 1781). (5/584).

they were released for export,[68] and commodities meant for export or for sale in local markets were subject to transit[69] and market[70] duties, as well as to sales taxes.[71] The effect of such multiple taxes was to obstruct trade and increase prices. Accordingly, in 1796, transit duties on foodgrains, salt and other essential commodities supplied to Kathmandu Valley from the Tarai were abolished as it was felt that they were impeding the inflow of these commodities and thus raising prices.[72] Similarly, customs duties were abolished in 1809 in Mahottari[73] and other areas on essential commodities procured by ryots for personal consumption from India. Duties were then collected only on commodities imported for commercial purposes. At times, the government found it necessary to make efforts to preserve and develop the traditional channels of internal and foreign trade through remission in transit duties[74] and to prohibit the collection of such duties at points where these had not traditionally been collected.[75]

State Trading

The Gorkhali rulers did not depend entirely on private enterprise to develop trade and commerce. Local administrators were encouraged to establish new markets at suitable places.[76] Particularly after 1807, the government undertook the experiment of opening new markets under its direct control at appropriate places in the Tarai and inner Tarai areas. Market towns were thus established at Hitaura in Makwanpur in 1807[77]

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[68] *Ijara Grant To Mahendra Singh Newar For Collection Of Jagat And Other Duties*, Shrawan Sudi 14, 1862 (August 1805). (6/308).

[69] Cf. *Order Regarding Rates Of Jagat Duties In Pyuthan*, Baisakh Sudi 14, 1844 (May 1788). (5/711); *Order Regarding Collection Of Jagat Duties At Chhoprak (Gorkha)*, Kartik Sudi 14, 1862 (November 1805). (19/381).

[70] Cf. *Ijara Grant To Harinarsing Newar For Collection Of Dalali Duties On Cotton*, Magh Sudi 12, 1860 (Januory 1804). (5/456).

[71] Cf. *Order Regarding Imposition Of Nirkhi Tax*, Bhadra Badi 9, 1862, (August 1805). (19/227).

[72] *Abolution Of Jagat Duties On Essential Commodities*, Poush Sudi 1852, (January 1796). (9/28).

[73] *Confirmation Of 1793 Tax Assessment Rates In Mahottari*, Kartik Sudi 9, 1866, (November 1809). (40/111).

[74] Cf. *Exemption From-Payment of Jagat Duties Granted On Merchandise Of Gumba In Mustang*, Shrawan Badi 1, 1859 (July 1802). (24/569).

[75] Cf. *Order To Amalis In Dullu-Dailekh Regarding Collection Of Jagat Duties*, Falgun Badi 11, 1871 (February 1815). (24/647).

[76] Cf. *Land Reclamation Reguations For Morang*, Magh Badi 9, 1856 (January 1800). (24/75). Section 4.

[77] *Order To Subba Dasharath Khatri To Open State-Operated Market In Hitaura*, Shrawan Badi 8, 1861 (July 1807). (20/447).

and at Bhadaruwa in Saptari district in 1809.[78] Revenues from different sources were appropriated to provide capital for these enterprises[79] and subsequent increases in the value of such appropriations[80] bear testimony to their success. Officials appointed by the government handled trade on a monopoly basis in these markets and the surrounding areas on the basis of fixed prices.[81] In Morang, the local administration was directed to maintain stocks of rice for supply to the local State-operated market at the actual procurement price. The rice was then supplied to consumers at prices fixed by the market authorities. Private transactions in commodities were banned at other places, or else the persons who conducted such transactions were under obligation to compensate the State-operated market for the loss sustained thereby.[82]

The main objective behind the establishment of such markets in the southern border areas appears to have been to capture the trade which Tibetans used to conduct directly with the English. The government realized that "if Tibetans and Firangis (i.e. foreigners or, in the contemporary context, Englishmen) meet and trade with each other, our ryots and traders will lose their employment and the results will not be good."[83] Traders were therefore strictly forbidden to deal directly with the English.[84] Local administrators also attached importance to the development of markets, as they realized that this would not only increase revenue, but also lead to the development of border areas, thereby making the territory secure from external encroachment, and, moreover, facilitate land reclamation and settlement.[85]

Presumably encouraged by its success in the field of internal trade, the government soon expanded its activity to promote exports also. In 1811, arrangements were made to export timber from the forests of Chitaun to Calcuta on governmental level. The timber was transported through forced and unpaid labor from Chitaun to the Tribeni river and then moved by boat to Calcutta where a government depot was established in an effort to maximize prices.[86]

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[78] *Orders To Subba Achal Thapa To Open State-Operated Market In Bhadaruwa (Saptari)*, Marga Badi 9, 1866 (November 1809). (40/136-141); *Regulations For Management Of Bhadaruwa Market In Saptari*, Marga Sudi 3, 1866 (November 1809). (40/141).

[79] *Ibid.*

[80] *Appropriation Of Revenues From Morang For Operation Of Bhadaruwa Market*, Baisakh Sudi 6, 1867 (April 1810). (39/182).

[81] *Order To Local Officials In Saptari Regrding Supply Of Commodities To Bhadaruwa Market*, Marga Badi 9, 1966 (November 1809). (40/139); *Order Regarding Sale Of Commodities In Bhadaruwa Market Area*, Jestha Sudi 5, 1867 (May 1810). (39/203); *Order Regarding Purchase Of Commodities At Bhadaruwa Market*, Bhadr, Sudi 5, 1867 (August 1810). (39/382).

[82] *Order To Kaji Ajambar Pantha Regarding Operation Of Market In Vijayapur*, Baisakh Sudi 9, 1867 (May 1810). (39/186).

[83] Shankarman Rajvamshi (ed.), *Shahkalin Aitihasik Chitthi Patrasangraha* (A Collection of Historical Documents Of The Shah Period), Kathmandu; Department Of Archeology, 2023 (1966), Vol. 1, p. 33.

[84] *Order Regarding Establishment Of Markets In Kali-Kumaun And Elsewhere*, Aswin Sudi 11, 1871 (October 1814). (41/630).

[85] Shankarman Rajvamshi, *op. cit.*, pp. 35-36.

At times, the government made efforts to diversify agricultural and other production in order to expand the export trade. One such example is furnished by the production and export of indigo. After the last decade of the eighteenth century, indigo became an important export commodity in India. Large areas of land were put under indigo in Bihar and Bengal. Attempts appear to have been made in the Tarai areas of Nepal to cultivate indigo during the last decade of the eighteenth century. In 1798, we find indigo being produced and sold on government account in Mahottari[87] and elsewhere. Efforts were made to introduce indigo cultivation in Kathmandu Valley,[88] but apparently without success.

The State held a monopoly in the trade of such commodities as indigo, wax, *gur* and cardamom. These monopolies were operated through individual contractors.[89] The practice of including such duties in *Birta* grants and *Jagir* assignments, so that revenue therefrom was collected and appropriated not by the State but by *Birta* owners and *Jagirdars*, led to a loss in revenue. Such loss occurred also in respect to customs and transit duties and the sale of timber and other forest products. It was only in the early years of the nineteenth century that *Birta* owners and *Jagirdars* in the eastern Tarai[90] were prohibited from appropriating customs and transit duties collected at main commercial routes and revenues from the sale of timber and other forest products.

Regulation Of Commercial And Manufacturing Activities

In the field of commercial and manufacturing activities, the policies followed by the government of Nepal during the period after political unification were oriented more towards regulation than towards development. We have already referred to the directive of Prithvi Narayan Shah that the use of foreign cloth should be prohibited and that local weavers should be provided with samples of foreign manufactures and trained to weave them. Samples of different varieties of homespun cloth were in fact supplied to weavers in the eastern and western hill areas.[91] The manufacture of cloth in violation of the prescribed measurement and their sale at prices in excess of those prescribed by the government were declared to be punishable offenses.[92] However, weavers found it difficult to adhere to the official prices and specifications and hence were punished with fines in a number of cases.[93] It is possible that these regulations were aimed at insuring correct measurements and equitable prices for the product of a manufacturing activity which at that time supplied the need of almost all classes in the society. However, there is no evidence that they resulted in any expansion or improvement in production.

The Gorkhali rulers also believed in a close regulation of commercial activities. Thus, in Kathmandu Valley, regulations were promulgated in 1805 directing that curd should be sold in earthen vessels that were filled to the brim after first being soaked in water. The regulations also prescribed the sale and purchase prices of milk.[94] Traders who sold adulterated salt were punished.[95] In the hill districts, concerted efforts were made to standardize weights and measures. Local officials[96] or contractors[97] were entrusted with the task of stamping each weight and measure used by the people on payment of the prescribed fees[98]. Arrangements for the movement of foodgrains from surplus to deficit areas at times of famine and for their sale at fixed prices formed part and parcel of such regulatory measures. In early 1796, high prices of foodgrains in Kathmandu, Patan and Bhadgaun led the government to impose a procurement levy on different categories of lands in the surrounding rural areas. The rice thus procured was to be supplied to officials posted in the markets for this purpose against immediate cash payment. It was then sold by these officials to the public on a non-profit basis.[99]

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[86] *Timber Export Regulations*, Bhadra Sudi 5, 1868 (August 1811). (40/254); *Order Regarding Transportation Of Timber For Exports To Calcutta*, Bhadra Sudi 10, 1868 (September 1811). (40/266).

[87] *Order To Nayan Singh Khatri Regrding Operation Of Nil-Mahal*, Marga Badi 8, 1856 (November 1799). (23/507).

[88] *Order To Subba Indra Singh To Supply Indigo Seeds*, Baisakh Badi 13, 1854 (April 1797). (25/356).

[89] *Ijara Grant To Hanumant Singh For Collection Of Customs Duties*, Poush Badi 4, 1873 (December 1816). (36/339).

[90] *Rautahat Administrative Regulations*, Shrawan Sudi 3, 1860 (July 1803). (20/118). Section 11; *Order Regarding Collection Of Miscellaneous Levies On Birta And Jagir Lands In Saptari And Mahottari*, Jestha Badi 11, 1864 (May 1807). (20/348).

[91] *Order Regarding Prices Of Cloth In Pallokirat*, Jestha Sudi 7, 1868 (June 1811). (40/216).

[92] Cf. *Judicial Regulations For Dudhkoshi-Tista Region*, Poush Badi 12, 1868 (December 1811). (40/323). Section 13.

[93] *Order Regarding Punishment Of Weavers In Pallokirat*, Bhadra Sudi 12, 1867 (September 1810). (39/391).

[94] *Regulations Regarding Sale Of Milk And Curd In Kathmandu valley*, Baisakh Badi 10, 1862 (April 1805). (20/142).

[95] *Punishment Of Traders In Mustang For Selling Adulterated Salt*, Aswin Badi 11, 1853 (September 1796). (23/113); *Punishment Of Traders In Parbat And Other Areas For Selling Adulterated Salt*, Kartik Badi 5, 1853 (October 1796). (23/159).

[96] *Order To Kajis In Palpa To Stamp Weights And Measures*, Magh Sudi 9, 1862 (February 1806). (6/234).

[97] *Ijara Grant To Jituram Newar For Stamping Weights And Measures In Chepe-Bheri Region*, Poush Sudi 15, 1853 (January 1797). (5/347).

[98] *Order Regarding Rates Of Fees For Stamping Weights And Measures In Chepe-Bheri Region*, Shrawan Sudi 12, 1848 (August 1791). (5/12).

Defense Production

Arms required by the Gorkhali rulers for their army were sometimes procured through imports from India.[100] But because of the growing scale of such requirements, the government adopted concerted measures to expand the production of munitions. In 1793, a large munitions factory was established in Kathmandu under the management of a French technician.[101] Munitions factories were established also in the eastern and western hill regions[102] and the eastern Tarai.[103] Technicians required for these factories were often procured from India.[104] In the far-western Tarai districts, revenue from the sale of elephants was partially earmarked for the manufacture of arms and ammunition.[105] The Nepal-British war led to an increased demand for arms and ammunition. Munitions factories were established and expanded[106] for the production of rifles modelled after samples captured from the British.[106] However, the unavailability of steel locallly constituted a formidable problem. Arrangements were made to import steel from India from time

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[99] *Orders Regarding Food Supply In Kathmandu*, Baisakh Badi 3, 1853 (April 1796). (19/105); *Orders Regarding Food Supply In Patan*, Baisakh Sudi 11, 1853 (May 1796). (19/109); *Order Regarding Food Supply In Bhadgaun*, Baisakh Sudi 11, 1853 (May 1796). (19/110).

[100] Cf. *Order Regarding Purchase Of English Guns With Revenues From Bara, Parsa And Rautahat*, Bhadra Badi 1, 1854 (Agust 1797). (25/527).

[101] Yogi Naraharinath (ed.), *Itihas Prekashma Sandhipatrasangraha*, *op. cit.*, p. 33.

[102] *Orders Regarding Manufacture Of Arms And Ammunition In Achham, Jumla, Pailakirat And Other Areas*, Magh Sudi 7-8, 1856 (January 1800). (24/91); *Instructions To Dittha Bishram Khatri And Other Officials To Manufacture Ammunition In Pyuthan, Majhkirat And Other Areas*, Marga Badi 7, 1862 (November 1805). (6/657-659).

[103] *Miscellaneous Regulations For Tarai Regions*, Marga Badi 1, 1862 (November 1805). (6/652). Section 7.

[104] *Ibid.*

[105] *Doti Administrative Regulations*, Chaitra Badi 10, 1856 (March 1800). (24/172). Section 5.

[106] Cf. *Appointment Of Technicians At Munitions Factories In Dhankuta And Vijayapur*, Kartik Badi 6, 1872 (October 1815). (42/101).

[107] *Order To Subedar Dharmaraj Khatri Regarding Manufacture Of Rifles*, Kartik Sudi 3, 1872 (October 1815). (42/117).

to time,[108] but dependence on a foreign country for the supply of such an essential item constituted a serious weakness, particularly when the war made procurement from India impossible. In any case, the local manufacture of arms and ammunition does not appear to have met the increasing military requirements.[109]

The situation was more favorable in the case of gunpowder factories; for saltpeter was produced locally, primarily in the eastern Tarai districts. It was actually extracted by ryots, who paid half of the produce to the government through the contractor. The remaining 50% went to the ryots; but was purchased by the contractor on behalf of the government. The saltpeter was then processed by the contractor and supplied to the government.[110] The procurement of saltpeter from these areas and their supply to gunpowder factories in Kathmandu, Nuwakot and elsewhere was under the direct administrative supervision of the royal palace.[111] In the Tarai districts, arrangements were made to establish saltpeter depots at suitable places.[112] In 1800, local officials in different areas were directed to exploit saltpeter deposits, ban exports and attract imports.[113] Arrangements were made in the same year to start gunpowder factories in several areas including Pyuthan, Doti, Chainpur, Morang and Kumaun.[114]

Special arrangements were made for the procurement of other materials required for the munitions industry. A monopoly was granted to purchase wax all over the kingdom with the obligation to supply a stipulated quantity to the government.[115]

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[108] *Order To Subba Jalim Khawas Regarding Purchase Of Steel From Patna*, Baisakh Badi 13, 1862 (April 1805). (20/152); *Receipt For Supply of Steel Purchased From Calcutta*, Ashadh Sudi 11, 1862 (July 1805). (6/118).

[109] Cf. *Miscellaneous Regulations For Tarai Region*, Marga Badi 1, 1862 (November 1805). (6/652). Section 12.

[110] Cf. *Order Regarding Supply Of Saltpeter In Sindhuli*, Falgun Sudi 11, 1856 (March 1800). (24/141); *Ijara Grant To Sona Mehtari For Exploitation Of Saltpeter Deposits In Mahottari*, Falgun Badi 1, 1838 (February 1782) (5/640); *Ijara Grant To Kanak Mehtari For Exploitation Of Saltpeter Deposits In Bara And Rautahat*, Shrawan Badi 8, 1861 (July 1804). (2/127).

[111] *Regulations In The Name Of Kapardar Dhan Singh Ojha*, Baisakh Badi 5, 1860 (April 1803). (20/33). Sections 8-9.

[112] *Miscellaneous Regulations For Tarai Region*, Marga Badi 1, 1862 (November 1805). (6/652). Section 9; *Basudev Mehtari Granted Authority To Open Saltpeter Depots In Mahottari*, 1859 (1802). (24/596).

[113] *Orders To Amalidars In Doti, Kumaun, Pallokiral, Bara, Parsa, Mahottari, Morang, Chitaun, Pyuthan And Other Areas Regarding Ban On Saltpeter Exports*, Magh Sudi 7, 1856 (February 1800). (24/89).

[114] *Orders Regarding Establishment Of Gunpowder Factories In Pyuthan, Doti, Chainpur, Morang, Kumaun And Other Areas*, Poush Sudi 5, and Magh Sudi 3, 1856 (January-February 1800). (24/30, 78-82).

[115] *Ijara Grant To Naryan Newar For Monopoly Procurement Of Wax*, Shrawan Sudi 11, 1851 (August 1794). (24/326).

In 1800, exports of this commodity were banned and official agents were sent to different areas to purchase supplies on a monopoly basis.[116] Similarly, no sale of lead was permitted anywhere in the Kingdom without governmental permission.[117]

Minting And Coinage

The Gorkhali rulers followed a liberal policy with regard to coinage, not only to extend the use of money but also to make profits from the minting of coins. Kirkpatrick wrote in 1793:[118]

> ... all the silver brought into Nepal from Tibet, in the way of commerce, must be carried to the mint at Khatmanda (i.e. Kathmandu), no silver bullion being allowed to pass into Hindostan. In exchange for his bullion, the merchant receives Nepal rupees, the government deriving a profit of twelve per cent, from the transaction; four percent being charged on account of coinage, and eight arising from the alloy of the rupee.

But the quantity of silver imported from Tibet and minted into coins in Kathmandu appears to have declined gradually after the Nepal-China war, thus leading to a corresponding decline in revenue from this source.[119] Minting fees yielded a net profit of Rs 3 for every 100 *tolas* of silver minted into rupee coins after providing for expenses amounting to Rs 12.[120] The percentage of profit from the alloy appears to have been raised to 25% in 1796[121] and 50% in 1807.[122] The government does not appear to have been overly concerned with minting coins of a standard weight, however, as it directed the Mint authorities to mint the prescribed number of coins from a specific quantity of silver, "even though they may be of different weights."[123]

A similar policy was followed with regard to the minting of copper coins. Copper was accepted from traders for being minted into coins, apparently withoug any limit. The Mint charged a fee of 5 *annas* per *dharni*[124] of copper thus brought for minting.

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[116] *Ban On Wax Exports From Dhobikhola-Tisla And Bishnumati-Bheri Regions*, Magh Badi 9, 1856 (January 1800). (24/69).

[117] *Regulations In The Name Of Kapardar Dhan Singh Ojha*, Baisakh Sudi 5, 1860 (April 1803). (20/33).

[118] Kirkpatrick, *op. cit.*, pp. 211-212.

[119] Cf. *Receipt For Coins Minted From Tibetan Silver*, Bhadra Badi 15, 1853 (August 1795). (23/107).

[120] *Order To Taksari Balabhanjan Pande Regarding Minting Of Silver Coins*, Shrawan Badi 8, 1864 (July 1807). (20/444).

[121] *Receipt For Coins Minted From Tibetan Silver*, Bhadra Badi 15, 1853 (August 1796). (23?107).

[122] *Order To Taksari Balabhanjan Pande Regarding Minting Of Silver Coins*, Shrawan Badi, 8 1864 (July 1807). (20/444).

[123] *Ibid.*

[124] 1 *dharni* is equal to 2.39 kilograms.

The rate was reduced by 50% in 1791 when the government insisted that only pure copper should be used for coinage. One-fifth of the income accruing from this fee went to the Mint Master as part of his emoluments.[125] Copper coins were minted on other parts of the country also, particularly the western hill areas,[126] where copper was produced in large quantities. Mints were established wherever metal was available,[127] and operated generally through contractors.[128] In 1803, with the objective of maximizing the production of copper coins, the government banned the export of copper and made arrangements to procure it on a monopoly basis.[129] Measures were also taken from time to time to prohibit the smelting and counterfeiting of silver and copper coins in different parts of the country,[130] particularly the western hill areas.

The wars which Nepal fought with Tibet during the period from 1788 to 1793 resulted in a considerable influx of gold and silver in the form of tribute[131] and booty.[132] This enabled the government of Nepal to mint silver coins in large quantities.[133]

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[125] *Order To Jasram Regarding Minting Of Copper Coins*, Shrawan Badi 6, 1848 (July 1791). (5/69).

[126] Cf. *Permission To Raja Siddhi Pratap Shah Of Gulmi To Mint Gorakhpuri Coins*, Falgun Sudi 7, 1859 (March 1803). (20/14); *Order To Ijaradar Jitaram Newar To Mint Copper Coins At Beni Mint*, Chaitra Sudi 6, 1862 (March 1806). (6/753).

[127] Cf. Satyamohan Joshi, *Nepali Rashtriya Mudra* (Nepali National Coinage), Lalitpur: Jagadamba Prakashan, 2019 (1962), p. 16; *Jumla Administrative Regulations*, Ashadh Sudi 4, 1853 (June 1796). (23/80). Section 6.

[128] Cf. *Ijara Grant To Harinarayan Newar For Procurement Of Copper And Minting Of Coins In Rukum*, Bhadra Sudi 7, 1862 (September 1805). (6/396).

[129] Cf. *Order Regarding Collection Of Fees On Land Transactions And Other Matters*, Ashadh Badi 9, 1860 (June 1803). (5/404).

[130] Cf. *Order Regarding Punishment For Counterfeiting Coins In Sindhu Arun Region*, Marga Sudi 5, 1853 (November 1796). (23/205); *Regulations For Punishment Of Counterfeiters Of Coins In Areas West Of The Trishuli*, Shrawan Sudi 3, 1851 (July 1794). (24/286); *Order Regarding Smelting And Counterfeiting Of Coins In Kaski*, Falgun Sudi 3, 1864 (February 1808). (19/368).

[121] According to a treaty signed in 1789, Nepal received a tribute of Rs 300,000 in the form of a silver bullion from Tibet for 1789 only. (D.R. Regmi, *Modern Nepal*, *op. cit.*, p. 192). Tibet later paid only Rs 10,000 yearly in cash. (*Ibid*, p. 200).

[132] Military commanders during this war were directed: "Among goods plundered from the *Gumbas* of *Lamas* and the houses of *Dehwas* and *Bhardars* (in Tibet), foodstuffs may be used by the troops; other booty shall be submetted to the government. One-fifth of coral, pearls, jewels, gold and silver looted elsewhere shall be given to those who loot them; the rest shall be submitted to the government. One-sixth of brocade and other cloths, copper, brass and other metals, houses and mules shall be given to those who loot them; the rest shall be submitted to the government." *War Regulations In The Name Of Kirtiman Singh And Others*, Bhadra Sudi 2, 1848 (August 1791) (5/17). Such huge quantities of gold and silver were looted in Tibet on the basis of this permission that salaries to troops were paid for some time in the form of these precious metals. (*Order To Captain Bam Shah And Others Regarding Payment Of Salaries To Military Personnel*, Poush Badi 3. 1848 (December 1791) (5/89).

Repeated efforts were made to revive the minting of coins for circulation in Tibet, but without any success. In 1775, a treaty had been signed with Tibet according to which the Tibetan government agreed to use coins minted in Nepal. The treaty also permitted the export of gold and silver from Tibet only through Nepali territory.[134] However, the implementation of these provisions was impeded by the problem of the debased coins minted by the rulers of Kathmandu Valley before the Gorkhali conquests which were freely circulating in Tibet. A deadlock ensued because the Tibetans did not agree to lower the exchange value of these debased coins, while the government of Nepal was naturally averse to having its pure silver coins treated at par with them.[135] Nepal's hopes of providing minting facilities to the Tibetan government were frustrated when the Chinese government decided, after the Nepal-China war of 1792-93, to establish its own mint in Lhasa.[136] Nepal made further attempts to mint coins for Tibet during 1806-7[137] and 1815[138] but without success.

The 16-*anna* (or 64-*paisa*) Nepali rupee arppears to have been the standard currency unit in Nepal,[139] but Indian rupee coins of different types also circulated freely.[140] Nepali rupees

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[133] During the 10-month period between May 1792 and February 1793, the government of Nepal minted silver rupee coins worth at least Rs 68,000. (*Receipts For Silver Coins Minted From Tibetan Silver*, Different dates between Jestha Badi 8, 1849 (May 1792) and Falgun Badi 4, 1849 (February 1793) (25/192-255).

[134] Yogi Naraharinath, *Itihas Prakashma Sandhipatra Sangraha, op. cit.*, pp. 70-72.

[135] Chittaranjan Nepali, *King Ran Bahadur Shah, op. cit.*, p. 87.

[136] Chittaranjan Nepali, *General Bhimsen Thapa And Contemporary Nepal, op. cit.*, p. 95; D. K. Regmi, *Modern Nepal, op. cit.*, p. 187.

[137] Cf. *Order Regarding Minting Of Coins For Religious Functions In Tibet*, Bhadra Badi 3, 1864 (August 1807). (20/380); *Order Regarding Minting Of Coins For Circulation In Tibet*, Falgun Sudi 3, 1863 (February 1807). (5/141).

[138] *Orders To Taksari Gajadal Pande To Mint Coins For Circulation In Tibet*, Aswin Sudi 15, 1872 (October 1815). (52/87-88).

[139] Cf. *Order To Traders Of Palpa To Use 16-Ganda Rupee*, Falgun Sudi 9, 1853 (March 1797). (25/322). According to this order, "the 16-*ganda* rupee circulates all over our Kingdom." The term *ganda* is a synonym of *anna*. In the Beni area of Baglung, however, a 32-*paisa* rupee appears to have been in circulation. *Order To Ijardar Jitram Newar To Mint Copper Coins At Beni Mint*, Chaitra Sudi 6, 1862 (March 1806). (6/758).

[140] There are numerous references in contemporary documents to Kaldar, Laskari, Patna and other coins. (Cf. *Order Regarding Collection Of Kusahi-Bisahi Levy In Kali-Bheri Region*, Shrawan Badi 30, 1844 (July 1787). (5/678); *Order Regarding Export Of Coins Through Sindhuli-Gadhi*, Marga Badi 1, 1870 (November 1815). (41/372); *Ijara Grant To Kulanand Jha For Supply Of Kaldar And Patna Coins From Morang*, Poush Badi 4, 1873 (September 1816). (36/335).

were exchanged into Indian currency at a discount,[141] although the government disfavored such undervaluation and made efforts to check it.[142] However, Nepali rupees too circulated in the adjoining areas of India.[143] Francis Buchanan reported from Purnea district in 1809-10 that "on the frontier of Nepal, the silver currncy of that country occasionally appears in circulation,"[144] In an apparent effort to encourage the circulation of its coins in India, the government of Nepal directed its officials in Almora in 1811 to mint pure copper coins corresponding to those minted at the Bareilly and Farrukhabad mints in India.[145] Nepali copper coins too were in circulation in India, and the government often minted such coins exclusively for that purpose. Scrap copper was thus minted into "Gorakhpuri" coins at Nagre in Kablirepalanchok and introduced in India through traders.[146] Copper coins meant for circulation in India were minted in Baglung[147] and elsewhere also. The government permitted the export of Nepali gold and silver coins, but not of Indian coins or of silver bullion,[148] obviously with the objective of smelting them and minting debased coins for local circulation.

Mining

Large-scale production of munitions and minting of coins raised considerably the demand for copper and other metals and the government of Nepal took a number of measures to increase their production. Prithvi Narayan Shah directed that "in case there are villages on lands containing mineral deposits, mines shall be operated by shifting the villages elsewhere."[149] These instructions appear to have been actually followed, at least in a few cases.[150]

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[141] A discount of 2 *annas* per rupee was thus allowed while exchanging Laskari rupees into Nepali rupees. *Order To Kashiram Thapaiya Regarding Collection Of Mining Revenues*, Shrawan Sudi 12, 1848 (August 1791). (19/445).

[142] Cf. *Imposition Of Fines On Moneylenders In Trishuli-Marsyangdi Region*, Baisakh Sudi 5, 1862 (April 1805). (5/560); *Imposition Of Fines On Moneylenders In Dudhkoshi-Tista Region*, Chaitra Badi 8, 1863 (March (1807). (6/809); *Ijara Grant To Kulanand Jha For Supply Of Kaldar And Patna Coins From Morang*, Poush Badi 4, 1873 (December 1816). (36/335).

[143] K. K. Dutta, *op. cit.*, p. 167.

[144] Buchanan, *op. cit.*, p. 587

[145] *Order Regarding Minting Of Copper Coins In Almora*, Baisakh Sudi 14, 1868 (May 1811). (40/212).

[146] *Order To Hanumant Singh To Mint Gorakhpuri Coins At Nagre*, Falgun Sudi 14, 1873 (March 1817). (36/410).

[147] *Order To Kaji Amar Singh Thapa To Mint Gorakhpuri Coins In Baglung*, Ashadh Badi 12. 1867 (June 1810). (39/233).

[148] Cf. *Order Regarding Export Of Coins Through Sindhuli-Gadhi*, Marga Badi 1, 1870 (November 1813). (41/372); *Order Regarding Export Of Coins Through Chisapani-Gadhi*, Marga Badi 9, 1860 (November 1803). (40/133).

[149] *Dibya Upadesh, op. cit.*, p. 19.

Traditionally, mines were exploited by private individuals subject to the payment of a specified quantity of processed metal to the government. But the difficulties involved in the collection of metal from a large number of mine operators in different parts of the country led the government to procure metals through contractors. Under this system, contracts were issued to individuals for the collection of metals and miscellaneous revenues in large tracts of territory.[151] The contract system was thus introduced only in order to solve the administrative problems of the government; it did not mean any change in mining techniques or the use of mining lands by individuals. In some cases, mines were placed also under the jurisdiction of local administrators.[152] However, the system created difficulties of its own. Contractors and local administrators grossly oppressed mineworkers, with the result that production declined.[153] Often contractors failed to exploit deposits fully, or else relinquished their contracts when the surface deposits were exhausted.[154]

In 1800, therefore, all existing mines all over the country were brought under direct governmental management under the supervision of officials appointed at the center for this purpose.[155] Subsequently, iron mines in the eastern and western hill areas, which were being operated under the jurisdiction of the local district administrators, were placed directly under the munitions factory at Kathmandu.[156] But even this system did not mean any change in mining techniques or in the operation of mines by individuals. The only change was that instead of dealing with contractors, the government dealt directly with functionaries appointed for each mine, who were under obligation to supply a stipulated quantity of metal.[157] In effect, therefore, the contract system continued, albeit for smaller mining units. In any case, the experiment does not appear to have proved overly successful, mainly because of the difficulties of supervising the collection of metals from distant territories. The government was therefore forced to restrict its direct collection to areas which were situated nearer to Kathmandu. Some areas where this system had been introduced in 1800 thus later reverted to the contract system.[158] Even in areas where the direct collection system was retained, it proved necessary to appoint officials at the local level to supervise operations,[159] thus pushing up administrative costs.

The government appears to have followed an ambivalent policy in the field of mining operations. Direct operation of mines was sanctioned only because responsible persons were not available to function as contractors.[160] The government preferred the contract system to direct operation because "there is no certainty (of the quantity of metal to be obtained) if mines are operated directly under governmental control."[161] In these circumstances, the revival of the contract system on the eve of the Nepal-British war could hardly be regarded as an unexpected development.[162]

Irrespective of the system followed, the government took various measures aimed at maximizing the procurement of metals, chiefly copper. Arrangements were made to purchase copper on a monopoly basis from all mines in the Kingdom,[163] obviously in order to absorb the share of the production accruing to contractors and foremen. Exports were banned, as well as private trade. Agents appointed for this purpose were instructed to purchase the metal from producers at current rates,

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[150] *Order Regarding Operation Of New Copper Mine In Rising*, Jestha Badi 4, 1865 (May 1808). (36/85).

[151] Cf. *Ijara Grant To Janaki Ram For Mining Operations In Chepe-Bheri Region*, Shrawan Sudi 11, 1851 (August 1794). (5/283).

[152] Cf. *Orders Regarding Introduction Of Amanat System For Mining Operations In Different Areas*, Falgun Badi 13, 1856 (Februay 1800), (24/118).

[153] *Ibid.*

[154] Cf. *Orders Regarding Operation Of Chhintang Mines On Amanat Basis*, Magh Sudi 11, 1863 (February 1807). (5/129).

[155] *Order Regarding Introduction Of Amanat System For Mining Operations In Different Areas*, Falgun Badi, 13, 1856 (February 1800). (24/118).

[156] *Order Regarding Operation Of Iron Mines*, Kartik Badi 10, 1860 (October 1803). (19/157).

[157] Cf. *Appointment of Harshadhar Budha As Jimmuwal Of Bhaludanda Copper Mines in Dhading*, Shrawan Badi 8, 1861 (July 1804). (2/135).

[158] Cf. *Morang Administrative Regulations*, Poush Badi 3. 1862 (December 1805). (19/414). Section 14. Mines in this region had been brought under *Amanat* operation only 2 months previously. *Order To Ijaradar Swarup Puri Regarding Operation Of Mines In Morang*, Kartik Badi 3, 1862 (October 1805). (19/300).

[159] Cf. *Appointment Of Subdeers Jayadrath And Balabhadra Padhya For Operation Of Mines In Mahanadi-Bheri Region*, Aswin Sudi 13, 1862 (September 1805). (6/567).

[160] Cf. *Orders Regarding Operation Of Mines In Parbat*, Shrawan Badi 9. 1862 (July 1805) (6/231) and Aswin Sudi 11, 1862 (October 1895). (6/553).

[161] *Instructions Regarding Operation Of Mines*, Bhadra Sudi 13, 1862 (September 1805). (6/417).

[162] Cf. *Ijara Grant To Hanumant Singh For Operation Of Lead Mines In Listi*, Jestha Sudi 13, 1870 (June 1813). (41/263); *Ijara Grant To Prahlad Thapa And Mahabir Karki For Operation Of Mines In Chepe-Bheri Region*, Baisakh Badi 9, 1871 (April 1814). (41/534).

[163] Cf. *Order Regarding Fees On Land Transactions And Other Matters*, Ashadh Badi, 9, 1860 (June 1803). (5/404); *Regarding Sale Of Copper To Baglung Mint*. Ashadh Badi 12, 1867 (June 1810). (39/234); *Order Regarding Monopoly Procurement Of Copper In Eastern Hill Region*, Kartik Sudi 9. 1856 (November 1799). (23/440).

not at "confiscatory" rates.[164] Often contractors appointed for the operation of mints themselves functioned as agents for the procurement of copper.[165] The system continued in substantially the same form after the Nepal-British war also.[166]

Transport And Communications

Official policy in the field of transport and communications were guided mainly by two considerations: to isolate Kathmandu Valley from the south and open up lines of communication westward in order to meet military needs in Kumaun, Garhwal and the Januna-Sutlej region. The military strategy of the Gorkhali rulers was based on a line of defense along the Churia hills,[167] thus isolating Kathmandu Valley from the south. In 1814, during the debate on whether Nepal should fight the British, Prime Minister Bhimsen Thapa asked, "How ... will the English be able to penetrate into the hills?"[168] This policy of isolation was buttressed by the mercantilist ideas of the Gorkhali rulers, who were strongly distrustful of foreigners and sought to discourage intercourse with the outside world.[169] The Gorkhali rulers therefore did not favor the opening of many routes linking Kathmandu Valley with the Tarai[170] or even the hill areas.[171] Local officials were directed from time to time

to close illicit tracks in strategic areas around Kathmandu Valley.[172] In 1799, local officials in these areas were directed:[173]

> In case any person has constructed unauthorized tracks in your area, discover and locate such tracks and install pikes and plant thorny bushes there in such a manner that no person can pass through them. In case any person tries to pass (through such tracks) forcibly, capture him if possible, or else fell him with poisoned arrows.

Moreover, passports were required to leave Kathmandu Valley through the Churia route. These regulations also stated:[174]

> In case you permit any person, irrespective of his status, leaving this side to proceed onward even though he does not have (a document bearing) the signature of the passport authority, we shall behead you.

These regulations, in addition, prescribed that local traders should be permitted to travel between Kathmandu Valley and the south after proper scrutiny.[175] It is probable, however, that local officials used their wide powers of search and detention to harass traders in expectation of bribes. In any case, the policy of isolation retarded the construction of north-south roads which would have facilitated trade and commerce. Goods imported to meet the requirements of Kathmandu Valley appear to have been transported by bullock-cart only up to Chisapani, although the use of porters too was quite common.[176] Attempts to improve the route between Chisapani and Kathmandu were never undrtaken during this period.

It was a difficult task for the Gorkhali rulers to open up and maintain lines of communication with the west. Since the main rivers of Nepal flow north to south, it is necessary to cross several large rivers such as the Karnali to reach Kumaun or Garhwal from Kathmandu. This difficulty was to some extent overcome by establishing ferry services at important centers.[177] Local officials were responsible for insuring that ferry services in the area under their jurisdiction functioned smoothly.[178] They were also directed to construct roads as well as shelters at suitable intervals.[179]

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[164] *Order Regarding Monopoly Procurement Of Copper In Dhobikhola-Dudhkoshi Region*, Ashadh Badi 12, 1859 (June 1802). (24/550).

[165] Cf. *Ijara Grant To Harinarayan Newar For Procurement Of Copper And Minting Of Coins In Rukum*, Bhadra Sudi 7, 1862 (September 1805). (6/396).

[166] Cf. *Mining Regulations For Western Hill Region*, Jestha Badi 4, 1874 (May 1817). (41/66); *Ijara Grant To Subba Kulanand Jha For Mining Operations In Kulekhani And Other Areas*, Jestha Sudi 14, 1887 (June 1830). (44/19).

[167] *Dibya Upadesh*, *op. cit.*, p. 29.

[168] Henry T. Prinsep, *History of The Political And Military Transactions In India During The Administration Of The Marquess of Hastings*, 1813-1823. London: Kingsbury, Parbury and Allen, 1835, Vol. II, p. 457.

[169] Cf. *Dibya Upadesh*, *op. cit.*, p. 29.

[170] According to a contemporary English official, "The Nepalese are desirous of having only a few open routes, by which an army from the low country might penetrate into the hills, and they think that in a few years the neglected routes will be either altogether forgotten, or be so over-grown with woods as to prevent access. The few remaining roads will then be easily guarded by a small force. But besides the military point of view, they are desirous of having few passages as appoint of economy in collecting the customs. (Hamilton, *op. cit.*, p. 180). But it is possible that this policy was not actually initiated by the Gorkhali rulers. According to a Christian missionary who was in Kathmandu Valley at the time of its conquest by Prithvi Narayan Shah: "Within a distance of four days' journey from Nepal (i.e. Kathmandu Valley), the road is good in the plains of Hindustan, but in the mountains it is bad, narrow and dangerous.' (Giuseppe, Fr., "An Account of The Kingdom of Nepal." (Translated by John Shore). *Asiatic Researches*, Vol. II (1739), No. XVII, (Reproduced by John Cole Coole). February 1970.

[171] Cf. *Passport Regulations For Khinchet, Devighat, Betravati, Sanga, Dapcha, Makwanpur And Other Areas*, Magh Badi 4, 1856 (January 1800). (24/50-53).

[172] *Order Regarding Closure Of Tracks In The Bagmati-Bulkhu Region*, Kartik Sudi 10, 1861 (November 1894). (2/216).

[173] *Passport Regulations*, Magh Badi 4, 1856 (January 1800). (24/50-53). Section 7. Similar restrictions were imposed in Bandipur and other areas in also the hill regions. (Cf. *Order Regarding Closure Of Track In Bandipur*, Ashadh Badi 7, (June 1804). (2/101).

[174] *Ibid*, Section 2.

[175] *Ibid*, Section 8.

[176] *Ijara Grant Bhajudhan For Collection Of Jagat And Other Duties*, Marga Badi 1, 1862 (November 1805). (19/886).

[177] Cf. *Itihas Prakash*, *op. cit.*, Vol. 2, Book 2, pp. 4-5.

[178] Cf. *Land Survey Regulations For Bheri-Mahakali Region*, Jeshta Badi 10, 1862 (May 1805). (20/209). Section 1; *Order To Local Functionaries Between Bishnumati And Kumaun*, Ashadh Badi 7, 1862 (June 1805). (6/72).

The economic policies and programs undertaken by the government of Nepal during the period after political unification were thus a series of haphazard measures designed primarily to meet short-term exigencies. Indeed, they may well be regarded as part and parcel of efforts made to mobilize resources for war. The emphasis was accordingly more on the procurement of agricultural, forest and mineral supplies than on their increased production. In the field of trade, attention was concentrated more on channelizing private trade in prescribed directions in order to facilitate the collection of revenue than on measures to expand its volume. Efforts to promote land reclamation and settlement may have contributed to some extent to an increase in agricultural production, but in view of the general shortage of labor, it is doubtful whether these did not actually mean a diversion of available manpower resources. It is, in fact, difficult to ascertain how far efforts to encourage immigration were effective. In view of the numerous references to the "depopulation" of settled areas in different parts of the country from time to time, a net inflow of population is a hypothesis which must be substantiated through further research. Moreover, none of the economic measures we have described above appear to have had any significant spread effect on the conomy as a whole. This conclusion remains valid even in such a field as the development of State markets. The monopoly granted to them in selling the produce of the surrounding regions[180] possibly led merely to a deflection of the flow of trade. In view of the force employed to compel people to sell goods at these markets and the fixation of prices by government officials at their discretion, it seems likely that such measures resulted in abuses which actually discouraged production of commodities for the market.[181]

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[179] *Order To Local Officials In Dullu Regarding Construction Of Roads And Shelters*, Aswin Sudi 15, 1859 (October 1802). (24/619).

[180] *Order To Subba Achal Thapa Regarding Monopoly Arrangements For Procurement Of Supplies For Bhadaruwa Market In Saptari*, Chaitra Badi 8, 1867 (March 1811). (41/11).

[181] Thus in 1811 complaints were received from Saptari district that the chief officer of the State market at Bhadaruwa had collected unauthorized taxes and levies and, in contravention of regulations, prevented local ryots from purchasing essential supplies for personal consumption from Indian territories across the border. An order issued from Kathmandu in this connection also stated that the country had been ruined through such abuses. (*Order Regarding Complaints Against Subbha Achal Thapa*, Chaitra Badi 8, 1867 (March 1811). (41/12).

CHAPTER IX

ECONOMIC DEVELOPMENTS AFTER THE NEPAL-BRITISH WAR

The end of the Nepal-British war marks an important turning-point in the political and economic history of Nepal. The Sugauli treaty of 1816, which terminated hostilities between Nepal and the East India Company, resulted in the loss of the eastern Tarai districts of Saptari, Mahottari, Bara, Parsa and Rautahat and the western Tarai districts of Sheoraj, Khajahani, Palhi, Majhkhand, Banke, Bardiya, Kailali and Kanchapur, in addition to Kumaun, Garhwal and other territories west of the Mahakali river. The East India Company agreed to gant a sum of Rs 200,000 every year to the government of Nepal "with a view to indemnify the chiefs and Barahdars of the State of Nepal, whose interests will suffer by the alienation of the lands" thus ceded.[1] The interests of *Birta* owners and *Jagirdars* who had possessed lands in the ceded territories were thus protected, but not those of the State. The loss of valuable territories in the Indo-Gangetic plains was a major disaster. Of perhaps equal importance was the termination of possibilities of further territorial expansion in the future. The 1792-93 war with China had closed the doors towards expansion to the north. The 1816 Sugauli treaty had had similar results in the east, the west and the south. Military activity aimed at territorial expansion, which had constituted the cornerstone of the economic, political and administrative policies of the Gorkhali rulers for nearly three quarters of a century, was thus rendered impossible. The financial problems faced by the government of Nepal after the Nepal-British war, however, were to a great extent mitigated by the decision of the British government in December 1816 to restore the eastern and western Tarai districts between the Koshi and the Gandaki as well as between the Gandak and the Rapti "with a view to gratify the Rajah (i.e. of Nepal) in a point which he has much at heart." With the restoration of this Tarai territory, the annual subsidy of Rs 200,000 was withdrawn.[2]

Military Preparations

The end of the war was followed by a long period of "peace without cordiality" with the British. Defeat had impressed upon Prime Minister Bhimsen Thapa the might of the British power in India. He realized that another test of strength with the British might mean the end of Nepal's status as an independent nation, and therefore sought to avoid another war with the East India Company. Local administrators were instructed not to create any trouble in the borders on their own initiative, although they were allowed to take such action as they deemed appropriate to repel aggression.[3] Similarly, they were told not to repair damaged boundary markers unilaterally.[4] At the same time, it was necessary to adopt a hostile attitude towards the British to appease the military classes and the nobility. Military preparations, therefore, continued even though there was no real desire on the part of persons responsible for decision-making to fight the British again. Three months after the government of Nepal ratified the Sugauli Treaty, the British Resident informed his government that "preparations to a considerable extent in the manufacture of arms and gunpowder go on in the valley."[5] In fact, such preparations continued almost till the rise of Jung Bahadur as Prime Minister in 1846. The strength of the standing army was estimated at 10,000 in 1816, 12,000 in 1819, and 15,000 in 1829. Retrenchment, however, was considered "dangerous and impolitic", in the words of Brian H. Hodgson, since "warlike affairs are the habits and passions of the people", who were "naturally much dissatisfied with their fallen conditions."[6]

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[1] Aitchison, *op. cit.*, Vol. II, p. 206.

[2] *Ibid*, pp. 208-209.

But there existed a basic contradiction between measures designed to safeguard national independence and the requirements of economic development. In its efforts to preserve national independence and forestall foreign influence and domination, the government of Nepal implemented the traditional policy of isolation with greater vigour. The entire area from Kulekhani to Hitaura, through which the English had directed their final and decisive assault during the war, was planted with new forests. Movement towards the south through this route was permitted only against passports issued by Prime Minister Bhimsen Thapa himself.[7] Similar restrictions were

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[3] Cf. *Revenue Regulations For Saptari And Mahottari*, Kartik Sudi 12, 1874 (November 1817). (43/48). Section 1; *Revenue Regulations For Bara, Parsa And Rautahat*, Falgun Badi 5, 1874 (Feburary 1818). (43/73). Section 1.

[4] Cf. *Forest Regulations For Tarai Districts*, Poush Sudi 9, 1885 (January 1829). (43/169). Section 7.

[5] Cited in Ramakant, *Indo-Nepalese Relations*, Delhi: S. Chand & Co., 1968, p. 58.

[6] *Ibid*, pp. 89-90.

[7] Chittaranjan Nepali, *General Bhimsen Thapa And Contemporary Nepal*, *op. cit.*, pp. 231-232; *Order To Subedar Bhimsen Baniya Regarding Entry Into Kath-*

(Continued on next page)

imposed on routes leading from Nepal to Tibet.[8] Such a policy was hardly consistent with the unrestricted development of trade.

Development Of Trade

Notwithstanding this policy, the end of the war opened up new opportunities for the development of Nepal's trade with India. British sources have claimed that Nepal-India trade during the post-war period was hindered by such factors as the imposition of "irregular and excessive" duties on British goods, lack of security for Indian traders and their goods in Nepal, unsettled border conditions and the official policy of prohibiting the export of Indian coins.[9] According to Brian H. Hodgson, it was a normal practice with the government of Nepal to prohibit the export of Indian coins because it recast them with alloy into its own currency. This made it impossible for Nepali traders to secure Indian coins, while the Nepali coins had become too debased to be accepted by Indians.[10] It must be noted that the ban on the export of Indian coins, and the absence of restrictions on the export of Nepali coins, whether of gold, silver or copper, had been imposed before the war.

There is evidence, however, that Nepal-India trade expanded despite such hindrances. Brian H. Hodgson has reported that after 1816 "the Indian merchants had full and free access to Nepal" and in fact "every native of India is free to enter Nepal at his pleasure, nor would he find any difficulty in pocuring from the government of the country permission to sojourn by himself or his agent at Kathmandu for purposes of trade."[11] He adds :[12]

> It appears ... that at this present time (December 1831), there are, in the great towns of the valley of Nepal, fifty-two native and thirty-four Indian merchants engaged in foreign commerce, both with the South and the North. ... A third of such of these merchants as are natives of the plains have come up subsequently to

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(Continued from previous page)

mandu Valley, Baisakh Badi 14, 1873 (April 1816). (36/275); *Orders Regarding Closure Of Tracks Through Mahabharat And Churia Hills*, Poush Sudi 3, 1873 (January 1817). (36/343-344); *Forest Regulations For Tarai Districts*, Poush Sudi 9, 1885 (January 1829). (43/169). Section 1; *Thekthiti Arrangements For Revenue Collection In Baitadi*, 1895 (1838). (38/78).

[8] *Orders Regarding Passports For Travel Between Nepal And Tibet*, Shrawan Badi 11, 1873 (July 1816). (36/299).

[9] Brian H. Hodgson, cited in Ramakant, *op. cit.*, p. 107.

[10] *Ibid.*

[11] Brian H. Hodgson, "On The Commerce Of Nepal," *In: Essays On The Language, Literature And Religion Of Nepal And Tibet*, London: Trubner and Co., 1874, p. 98.

[12] *Ibid*, p. 92.

> the establishment of the Residency in 1816, since which period, as is thought by the oldest merchants of Kathmandu, the trade has been tripled."

Brian H. Hodgson estimated the total value of Nepal's exports to India in 1830-31 at Rs 1 million, and of imports at Rs 1·6 million, thus leaving an adverse balance of Rs 0·6 million[13].

One reason for the expanded volume of trade was the growing addiction of higher classes in the society to imported goods. This led to increased imports of English and other European commodities, replacing goods previously obtained from Tibet and China.[14] But internal factors alone do not account for the increased volume of trade and the adverse balance. After the Napoleonic wars, the markets of India were flooded with cloth, hardware and other products of British manufacturing centers.[15] In Bengal, the total value of imports of British cotton manufactures increased from Rs 91,800 in 1813-14 to Rs. 6,777,279 in 1822-23.[16] The impact of this development naturally fell upon Nepal also. Similarly, unrestricted trade with India made it possible for Nepal to expand its exports of traditional items. The volume of timber exports to India thus increased to such an extent that the government was obliged to introduce a contract system for the collection of revenue from timber merchants. Revenue from the sale of timber in Morang district accordingly increased from around Rs. 10,000 in 1809-10 to Rs. 38,000 in 1833.[17] The trade was apparently so lucrative that officials of the East India Company, and other Englishmen[18] competed with Indian merchants in obtaining contracts for felling timber in Nepali territory and exporting it to India.

Evidence of the growing volume of trade between Nepal and India is furnished also by the emergence of new market towns in the border areas and the increased importance of existing ones. In the border areas of the far-western Tarai, there were five such markets, from which the government derived a customs

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[13] *Loc. cit.*

[14] Henry Ambrose Oldfield, *Sketches From Nepal*, London: W. H. Allen & Co., 1880, Vol. II, p. 303.

[15] Daniel and Alice Thorner, *Land And Labour In India*, Bombay: Asia Publishing House, 1962, pp. 70-71.

[16] H. R. Ghoshal, *The Economic Transition In The Bengal Presidency*, Calcutta: Firma K. L. Mukhopadhyay, 1962, p. 31.

[17] Buchanan; *op. cit.*, p. 569; *Ijara Grant To Subba Prayag Datta Jaisi For Collection Of Kathmahal Revenue In Morang*, Shrawan badi 1, 1890 (July 1833), (26/331).

[18] Cf. *Monopoly Granted To Captain Mosley For Purchase Of Timber In Koradi, Mahottari*, Marga Badi 7, 1885 (November 1828); (43/153); *Forest Regulations For Tarai Districts*, Poush Sudi 9, 1885 (January 1829), (43/169), Section 2; *Timber Contract In Morang Granted To Benson Firangi*, Shrawan Badi 1, 1875 (July 1818). (42/340).

revenue of Rs 11,036 in early 1838.[19] This figure assumes added significance when we note that only 10 months previously, the government was in search of a contractor who would offer a bid of Rs. 11,001[20] for the collection of customs revenue from these five market towns. Indian merchants visited these towns to exchange their merchandise for such commodities as horses, falcons, yaks' tails and musk brought by people from the hill areas of Nepal.[21] Nepali merchants from Palpa, Butaul and elsewhere visited Lucknow and other Indian towns for the purchase of commodities. They took cash along with them for this purpose,[22] thus indicating that Nepal had little to offer to consumers in the Indian towns. The government of Nepal had agents in Patna[23] and Banaras[24] for the purchase of goods required by it.

The conferment of property rights on houses constructed by Nepali traders at commercial centers encouraged the development of market town in the hill areas also. In 1829, the Newar traders of Tansen in Palpa district petitioned that since their thatched huts were frequently destroyed by fire, they should be permitted to construct brick houses with tile roofs. At the same time, they demanded that local officials should not be allowed to evict them, and that they should be entitled to sell these houses if they shifted elsewhere.[25] The request was granted. Similar arrangements were made also at Sikuwadanda village in Pyuthan district in 1834.[26]

A number of governmental restrictions, however, impeded the growth of internal trade. The inhabitants of Doti and Achham, for instance, were not permitted to take their foodgrains to the market for sale, in an effort to conserve supplies for local military requirements. It was only when a severe drought affected these areas in 1838 and created financial difficulties for the people that the government was induced to permit the sale of surplus grains.[27] Moreover, inhabitants of specified areas were ordered to sell their produce in specified markets only,[28] and this tended to inhabit the free flow of internal trade.

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[19] *Ijara Grant To Dilip Singh Bogati And Others For Revenue Collection In Market Towns In The Far-Western Tarai*, Baisakh Sudi 10, 1895 (May 1838). (27/540).

[20] *Ijara Grant To Sadar Badriban Shahi For Revenue Collection In Market Town In The Far-Western Tarai*, Ashadh Badi 11, 1894 (June 1837). (26/657).

[21] *Order Regarding Trading Arrangements In Karnali-Pyuthan Region*, Falgun Badi 8, 1893 (February 1837). (35/82).

[22] *Order To Sairdars Of Palpa And Butaul Regarding Collection Of Duties From Nepali Merchants Visiting Lucknow*, Marga Badi 2, 1882 (November 1825). (34;128).

[23] *Appointment Of Lalji Palwa As Purchasing Agent In Patna*, Kartik Badi 10, 1890 (October 1833). (36/376).

[24] *Confirmation Of Jamadar Dhanbir Gharti As Purchasing Agent In Banaras*, Magh Badi 6, 1873 (January 1817). (36/350).

[25] Chittaranjan Nepali, *General Bhimsen Thapa And Contemporary Nepal*, *op. cit.*, pp. 215-216.

[26] *Permission To Newar Merchants In Pyuthan To Construct Brick Houses*, Falgun Badi 6, 1890 (February 1834). (26/482).

The monopolies which the government granted to individuals in such commodities as paper and wax continued to have a deleterious effect on people engaged in their manufacture. The monopolists paid the government a fixed sum of money to purchase these commodities at "reasonable" prices, or at locally current prices, for internal sale or export.[29] In actual practice, the producers of these commodities had no protection if the monopolist paid arbitrary prices. It was possibly a consequence of such arbitrary behavior on the part of the monopolists that people preferred to smuggle paper to Tibet in violation of the official restrictions.[30] Similarly, considerations of revenue led the government to prohibit local people in the Tarai districts from utilizing valuable timber for their own requirements.[31]

Financial Problems

The financial problems of the government appear to have become particularly acute after 1832-33, when the government intensified military preparations for war with the British.[32] The policy continued after Prime Minister Bhimsen Thapa fell from power in 1837, for his successor was even more committed to a policy of war with the British.

The government of Nepal therefore undertook a series of measures to retrench non-military expenditure and increase revenue from different sources. During the period from 1834 to 1838, the salaries of non-military employees were retrenched by 25%, and various perquisites customarily enjoyed by them were withdrawn.[33] In 1837, the rates of land tax assessments were increased throughout the eastern Tarai districts.[34] Measures were taken also to check the loss of revenue resulting from land grants and assignments. A survey of different categories of land grants and assignments was undertaken throughout the country[35] as part and parcel of these measures. Conversion of *Jagir* lands into *Birta* was prohibited,[36] and in April 1839, the government decided not to make any *Birta* land grant for a period of 10 years.[37] Fresh land revenue settlement operations were conducted simultaneously. During the period from 1832 to 1837, the revaluation of *Bandha* lands, i.e. lands acquired by private individuals on mortgage from the government, first done in 1795-96, was again taken up in the western hill areas.[38] Measures were also taken to increase the area of land under *Raikar* tenure, from which the government appropriated revenue. The area of land under *Raikar* tenure increased when lands were acquired by the government in settlement of its claims against individual land-owners, confiscation or outright purchase from individual landowners.[39]

Changes In Revenue Collection Systems

Between 1820 and 1837, a series of experiments were made in the field of revenue administration, which appeared to have a two-fold objective: to assure a stable revenue for the government and to protect local functionaries from oppression at the hands of *Ijaradars* and other revenue collectors. The system of making revenue farmers and district officials responsible for both general administration and revenue collection was considered unsuitable, primarily because ryots suffered from undue oppression and extortion at their hands. Moreover, district officials responsible for the collection of revenue "exacted provisions and unpaid labor and collected fines even on baseless charges."[40] Efforts

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[27] *Permission To Victims Of Drought In Doti And Achham To Sell Foodgrains*, Falgun Sudi 3, 1894 (Feburary 1838). (27/514).

[28] *Order Regarding Trade Outlets For Jumla*, Jestha Badi 30, 1894 (May 1837). (26/642).

[29] *Ijara Grant To Jagatbir For Supply Of Paper*, Baisakh Sudi 11, 1890 (May 1833). (26/293); *Ijara Grant To Rajbir For Supply Of Wax In Dhobikhola-Dudhkoshi Region*. Marga Sudi 1, 1885 (November 1827). (43/154).

[30] *Order Regarding Sale Of Paper In Tauthali And Listi*, Falgun Badi 8, 1903 (February 1847). (7/585).

[31] *Forest Regulations For Tarai Districts*, Poush Sudi 9, 1885 (January 1829). (43/169). Section 5.

[32] Cf. Ramakant, *op. cit.*, pp. 103-110.

[33] *Order Regarding Reduction Of Salaries Of Government Employees*, Ashadh Badi 13, 1895)(June 1838). (27/573).

[34] Cf. *Order Regarding Jagir Land Assignments In Eastern Tarai Districts*, Chitra Badi 7, 1893 (March 1837). (35/91).

[35] *Land Survey Regulations*, Kartik sudi 1, 1893 (October 1836). Separate regulations for Bhimdhunga-Trishuli, Eastern Tarai, Eastern Hill, Western Hill Bhimdhunga-Sindhu, Bhimdhunga-Patringa, Trishuli-Pyuthan and Western Hill regions up to Mahakali River. 35/40-69, 40/571-613).

[36] *Prohibition To Grant Jagir Lands As Birta*, Baisakh Badi 30, 1894 (April 1837). (26/635).

[37] *Restrictions On Birta Grants*, Falgun Badi 4, 1895 (February 1839). (2/63).

[38] *Order Regarding Revaluation Of Bandha Lands In Western Hill Region*. Shrawan Sudi 8, 1893 (August 1836). (26/590-621).

[39] *Order Regarding Jurisdiction Of Sadar Company Dafdarkhana In Land Administration*, Baisakh Sudi 5, 1889 (April 1841). (31/274).

[40] Cf. *Thekbandi Grant To Jagat Pandya For Revenue Collection On Jagir Lands Of Srinath Kampu*, Baisakh Badi 8, 1890 (April 1833). (26/296); *Introduction Of Thekbandi System For Revenue Collection In Dang*, Shrawan Badi 4, 1873 (July 1816). (28/308).

were therefore made, for the first time in the history of revenue administration in Nepal, to separate revenue collection functions from those relating to general administration. The local administrative authority continued to exercise general supervision over the work of functionaries responsible for the collection of revenue and receive the amounts collected, but he no longer assumed responsibility for the total revenue assessment made in the area under this jurisdiction.

Revenue collection arrangements were in a state of complete disarray when the Tarai were restored to Nepal in December 1816. The British had collected revenue in this region while it was under their occupation. In order to avoid compelling the ryots to pay revenue twice,[41] it was necessary to ascertain the amount of arrears due from each person. Official documents issued during this period contain references to revenue functionaries and ryots[42] who had absconded, that is to say, collaborated with the British during the war and stayed on in India after its end. These factors necessitated the compilation of fresh records of lands and revenues. This task was accordingly undertaken on a priority basis in early 1817 in the entire eastern Tarai region,[43] simultaneously with the demarcation of the Nepal-India boundaries.[44]

While making these arrangements, the government initially decided to rely again on the *Ijara* system in the collection of revenue. Officials deputed to revise land tax assessment records in the eastern Tarai were instructed to appoint reliable local persons as *Ijaradars* in consultation with local officials and insure that revenue did not go below the pre-war figure.[45] But apparently no one was willing to assume *Ijaras* in the existing chaotic situation. The government had thus no alternative but to introduce the *Amanat* system[46] as an interim arrangement, but

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[41] *Regulations For Saptari And Mahottari*, Kartik Sudi 11, 1875 (November 1818). (42/409). Section 4; *Regulations For Bara, Parsa And Rautahat*, Kartik Sudi 11, 1875 (November 1818). (42/419). Section 6.

[42] Cf. *Order Regarding Appointment Of Sardar Balabhanjan Pande For Revenue Settlements In Saptari And Mahottari*, Magh Sudi 11, 1873 (January 1817). (36/384).

[43] Cf. *Survey Regulations For Saptari And Mahottari*, Magh Sudi 13, 1873 (February 1817). (36/372); *Survey Regulations For Bara, Parsa And Rautahat*, Magh Sudi 11, 1873 (February 1817). (36/386); *Regulations For Munsiffs In Morang*, Falgun Badi 30, 1873 (February 1817). (36/399); *Survey Regulations For Chitaun*, Chaitra Badi 4, 1873 (March 1817). (36/414).

[44] *Orders Regarding Demarcation Of Nepal-India Boundary*, Magh Sudi 11, 1873 (February 1817). (36/394-398).

[45] Cf. *Survey Regulations For Saptari And Mahottari*, Magh Sudi 13, 1873 (February 1817). (36/372). Section 2.

the *Ijara* system was restored when the survey operations were completed around 1820.

However, the *Ijara* system made the position of local revenue functionaries increasingly precarious. These functionaries could retain their traditional authority at the local level only by acting as sub-contractors on behalf of *Ijaradars*, but their position was never secure. *Ijaradars* dismissed them whenever they liked and it was not unusual for the same office to change hands two or three times in the course of a single year. In 1828, therefore, local revenue functionaries from the entire eastern Tarai districts approached Kathmandu with the request that they should be appointed as sub-contractors for 5 years at a time. They promised to make higher payments, reclaim waste lands and keep the ryots happy in case their request was granted. The government accordingly sanctioned arrangements for the appointment of such functionaries on a five-year term through the orders of the Prime Minister himself.[47] The original intention of the government was to retain the *Ijara* system and appoint local revenue functionaries as sub-contractors for the stipulated five-year period.[48] However, it soon realized the possibility of dispensing altogether with the services of *Ijaradars* and maintaining direct contact with such functionaries. Accordingly, the *Ijara* system at the district level was abolished. Separate contractual arrangements were made directly with local *Chaudharis* for the collection of revenue in areas under their jurisdiction.[49] These contracts appear to have been issued to the highest bidder.[50] The experiment obviously proved satisfactory, for it was continued in 1834 for another 5-year term.[51]

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[46] *Appointment Of Gaj Singh Khatri As Revenue Collector In Morang Under Amanat System*, Magh Sudi 13, 1873 (February 1817). (36/362); *Appointment Of Sardar Bakhat Singh Basnyat For Revenue Collection In Bara, Parsa And Rautahat Under Amanat System*, Magh Sudi 11, 1873 (February 1817). (36/384); *Survey Regulagions For Saptari And Mahottari*, Magh Sudi 13, 1873 (February 1817). (36/372).

[47] *Introduction Of Panchsala-Thek System In Saptari, Mahottari, Bara, Parsa And Rautahat*, Aswin Sudi 2, 1885 (September 1818). (43/138); *Introduction Of Panchsala-Thek System In Morang*, Kartik Sudi 7, 1885 (November 1828) 43/140).

[48] *Ibid.*

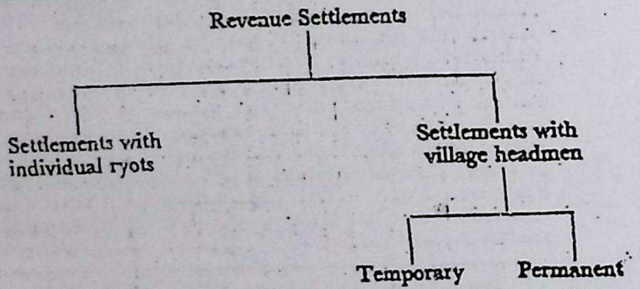
[49] *Order To Captain Birbhadra Kunwar Regarding Collection Of Panchsala-Thek Revenues In Saptari And Mahottari From Chaudharis And Other Local Functionaries*, Bhadra Badi 13, 1887 (August 1830). (44/77).

[50] Cf. *Order Regarding Contracts For Revenue Collection In Bariarpur, Bara District*, Ashadh Badi 11, 1894 (June 1837). (26/6

[51] *Orders Regarding Extension Of Panchsala-Thek System* [illegible] Kartik Sudi 5, 1890 (October 1833). (26/377, 26/426-427). Separate orders for Morang, Bara, Parsa, Rautahat, Mahottari Saptari and other areas.

In 1838, revenue functionaries in the western Tarai also succeeded in entrenching their position on the same basis as their counterparts in the eastern Tarai. According to arrangements introduced in that year, *Chaudharis* were made responsible for the payment of a stipulated sum of money. Any gain or shortfall in the amount thus stipulated was shared by each local cultivator.[52] But the *Chaudharis* did not deal directly with the government, which appointed a separate official to make collections from them and transmit a stipulated amount to the central treasury.[53] However, the *Ijara* system was introduced in its original form in 1827 in Chitaun[54] after direct arrangements with local headmen, introduced in 1817,[55] obviously proved unsuccessful.

In the hill regions, including Kathmandu Valley, experiments in the field of revenue administration, undertaken in the course of a series of settlements conducted during the period from 1820 to 1837, may schematically be represented as follows:


Revenue Settlements
Settlements with individual ryots
Settlements with village headmen
Temporary
Permanent

In Kathmandu Valley and some adjoining areas, settlements were made directly in the name of individual ryots on a contractual basis and provision was made for adjustments in the assessment records necessitated by the reclamation of waste lands.[56] In other hill areas, settlements were made with the appropriate village headmen for the entire village as one unit. The headmen then apportioned to each ryot a share of the total amount

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[52] Cf. *Order To Chaudharis And Other Functionaries In Tarai Areas Of Pyuthan Regarding Revenue Collection Under Thek-Thiti System*, Marga Badi 3, 1895 (November 1838). (33/74).

[53] Cf. *Ithihas Prakash*, *op. cit.*, Vol. 2, Book 2, pp. 182-188.

[54] Cf. *Ijara grant To Subba Hiralal Jha For Revenue Collection In Chitaun*, Baisakh Sudi 15, 1884 (May 1827). (43/207).

[55] *Order Regarding Introduction Of Thekbandi System In Chitaun*, Ashadh Badi 10, 1875 (June 1818). (42/323).

[56] Cf. *Revenue Settlements In Changu, Gokarna, etc In Kathmandu*. Separate documents issued for different villages on different dates during 1893-1894. (1836-37). (55/154-257).

assessed in this manner, collected the stipulated amount from each ryot and handed the proceeds over to the chief administrative officer of the district. Since he belonged to the village, he could be expected to insure that shares were based on the taxable capacity of each family. Thus the village headmen dealt directly with the government representative at the district level and enjoyed enhanced status and authority. At the same time, he was held personally liable for the full payment of the stipulated amount.[57] Many village headmen who assumed such obligations were later replaced because they were unable to meet losses resulting from depopulation.[58] Moreover, under this system, newly-reclaimed lands were registered and revenue thereon paid after an initial exemption period in addition to the amount originally assessed.[59] The system introduced in far-flung areas in both the eastern[60] and the western[61] hill regions was basically similar. The only difference was that in these areas newly-reclaimed lands or new homesteads were not subject to tax until the next settlement, nor were village headmen entitled to seek remissions on the ground that the number of homesteads had declined, or that cultivated lands had reverted to waste. In view of the long-term arrangements involved, the stipulated sum was normally double the actual land revenue assessment,[62] so as to enable the government to share in increased revenue collections. Contractual settlements with village headmen under all these systems were generally made for stipulated periods. But the government appears to have favored permanent settlements in remoter regions in both the eastern and the western hills.

The most important feature of the new revenue collection systems in the hill regions, as in the Tarai, was the direct relationship established between the village headman and the central government. The district administrative authority had no direct role in the collection of revenue, for he was no more than repository of the proceeds of collection. Nor did he have any hand in the appointment and dismissal of local revenue functionaries, who enjoyed a statutory status. It was therefore difficult for the district administration to exercise necessary supervision over them and insure that revenue was collected and transmitted properly. The government also lacked the requisite supervisory machinery to inspect the collection of revenue, or to punish those who defaulted in payment or misappropriated the proceeds. Local functionaries on their part appear to have been unable to make collections properly, possibly because their powers against defaulting cultivators were not defined properly. The result was that heavy arrears accumulated. In areas situated between the Trishuli and Bheri rivers in the western hill region, for instance, five years' arrears had accumulated by 1844. Military officials were therefore deputed directly from the center to collect the arrears from defaulting cultivators.[63]

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[57] Cf. *Thekbandi Grant To Mukhiya Juddhabir Thapa In Pyuthan*, Baisakh Sudi 10, 1895 (May 1838). (35/478).

[58] Cf. *Abolition Of Mukhiyas In Panchthapala, Salyan*, Ashadh Badi 11, 1900 (June 1843). (26/544).

[59] Cf. *Thek Settlements With Local Functionaries In Sunar And Daukhuri*, Falgun Sudi 9, 1893 (February 1834). (35/86).

[60] Cf. *Thekthiti Revenue Settlements In Chainpur*, Jestha Badi 3, 1904 (May 1847). (35/450).

[61] Cf. *Thekthiti Revenue Settlements In Jumla*, Falgun Sudi 3, 1894 (February 1838). (35/566-601).

[62] Cf. *Confirmation Of Thekthiti Revenue Settlement In Achham*, Chaitra Badi 4, 1890 (March 1834). (27/301).

A number of measures were initiated, particularly after the 1837 revenue settlements, to regularize matters relating to the administration of *Raikar* lands and collection of taxes. At the central level, the *Sadar Kampani Dafdarkhana* office was responsible for all matters relating to *Raikar* lands and land grants or assignments of different categories, land reclamation and the construction of irrigation facilities.[64] Officials called *Mohinaikes*[65] were appointed under this office for Kathmandu Valley and the adjoining areas to collect in-kind rents on *Raikar* lands, sell them when prices were high and transmit the proceeds to Kathmandu. These officials were empowered to appoint and dismiss cultivators when necessary, but at the same time were held personally liable in case any tenant defaulted in the payment of rents due from him.[66] Another responsibility of *Mohinaikes* was to locate newly reclaimed or other lands which were being cultivated without paying rents.[67] In some areas in the hill districts, another level of authority was created between village headmen and the district administration in order to exercise such supervision and dismiss village headmen who did not collect revenue satisfactorily or created trouble in the village.[68]

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[63] Cf. *Order To Hawaldar Bakabir Khatri To Collect Rents On Raikar Lands In Trishuli-Bheri Region*, Baisakh Sudi 4. 1902 (April 1846). (31/28).

[64] *Order Regarding Jurisdiction Of Sadar Company Dafdarkhama In Land Administration*, Baisakh Sudi 5, 1898 (April 1841). (31/274).

[65] Mohinaikes had been in existence previously also. (Cf. *Order To Mohinaikes In Kaski To Collect Adhiya Rents*, Kartik Sudi, 15, 1858 (November 1811) (28/16). They were now appointed on a more systematic basis with specific functions.

[66] Cf. *Appointment Of Bhajuram Newar As Mohinaike For Revenue Collection On Raikar Lands In Dhulikhel*, Ashadh Sudi 3, 1901 (June 1847). (31/8); *Appointment Of Birjul Shahi As Mohinaike In Salyan*, Chaitra Sudi 10, 1902 (April 1846). (26/84).

[67] Cf. *Order To Mohinakie Jayashankar To Find Out Taxable Lands In Bhadgaun*, Baisakh Badi 7, 1902 (April 1846). (31/25).

[68] Cf. *Appointment Of Ravi Singh Khatri As Jimmawal In Rukun*, Magh Sudi 4, 1899 (February 1843). (26/524); *Panchshala-Thek Grant To Kashiram Dittha For Revenue Collection In Rising*, Falgun Sudi 7, 1890 (February 1834) (25/499).

Level Of Rents

The trend towards upward revisions in the level of rents and commutation of in-kind assessments into cash continued during the post-war period. In Chapter 6, we have mentioned some of the factors which made the *Adhiya* system increasingly unacceptable to *Jagirdars*. The system kept the level of rents at a specific percentage of the crop, so that *Jagirdars* were unable to take advantage of competition among prospective tenants to increase rents. The level of *Kut* rents was consequently higher than that of rents assessed under the *Adhiya* system and was determined primarily by what could be exacted from tenants. Contractors appointed to collect *Kut* rents on *Raikar* lands were directed not to seek remission on the ground that they had to allot lands on *Adhiya* basis because nobody was willing to pay *Kut* rents.[69] In many cases, tenants complained that the level of *Kut* rents was too high. The reintroduction of the *Adhiya* system was therefore demanded. The government on its part preferred to make minor reduction in *Kut* rents instead of reverting to the *Adhiya* system.[70] The introduction of the *Kut* system, in fact, unleashed a tug-of-war between *Jagirdars* and their tenants. *Jagirdars* complained that the *Kut* rents assessed on their *Jagir* lands were too low, and that the quality of the land justified higher rents.[71] The government acceded to their demands. Orders were issued permitting *Jagirdars* to increase rents according to the quality of the land and evict tenants who refused to pay the increased amount.[72] According to one of these orders, issued in 1828:[73]

> Since *Kut* rents on the lands assigned to you as *Jagir* bear no relationship to (productivity), you are hereby authorized to inspect your lands and prescribe rents according to (productivity). Tenants on their part shall agree to pay rents so determined on the basis of (the productivity of) the land. In case they do not so agree, evict them and allot the lands to other people belonging to the same district who agree to pay (the increased rent). Existing tenants shall not be evicted if they agree to pay *Kut* rents (at the enhanced rate).

The order also cancelled all existing *Kut* allotments on *Jagir* holdings, thereby terminating the tenancy rights of the cultivators.[74] This policy was carried forward to what may be regarded as a logical conclusion when in 1827-28 officials were deputed to different districts in both the eastern and the western hill regions to detect cases in which cultivators had understated the area of *Jagir* holdings or were paying lower rents than what the land had yielded previously. In particular, these officials were instructed to increase the area or the rent wherever possible. The existing cultivators were to be given preference if they agreed to pay rents at the enhanced rates. Otherwise, "the land shall be allotted on *Kut* tenure to the person who offers to pay more."[75] But if these arrangements were initially designed to enable *Jagirdars* to obtain a higher income from their *Jagir* lands, the situation did not continue long in their favor. The enhanced rents which were collected from cultivators as a result of these arrangements were utilized, at least partially, to compensate for the reduction of the cultivated area as a result of floods or erosion.[76]

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[69] Cf. *Ijara Grant To Ramnarsingh For Revenue Collection On Kut Lands*, Marga Sudi 9, 1890 (December 1833). (26/438).

[70] *Cf, Reduction In Rates Of Kut Rents On Jagir Lands In Tanahu*, Jestha Sudi 5, (May 1886). (27/50).

[71] Cf. *Permission To Jagirdars Of Barakh Company To Increase Rents On agir Lands*, Marga Badi 12, 1883 (November 1826). (31/308).

[72] Cf. *Order Regarding Rents And Tenancy Rights On Jagir Lands Of Shardul Jung Company*, Bhadra Badi 8, 1884 (August 1827). (43/242).

[73] *Order Regarding Rents And Tenancy Rights On Jagir Lands Of Employees Of Dafdarkhana Kumarichok*, Magh Badi 12, 1884 (January 1828). (27/70).

[74] *Ibid.*

The other trend which we mentioned above was towards the commutation of in-kind rents into cash. In-kind assessments, whether under *Adhiya* or under *Kut*, created formidable problems for the government as well as for *Jagirdars*. In the absence of a market economy and transport facilities, it was difficult to dispose of or transport in-kind rent collections over long distances, for *Jagirdars*[77] were prohibited from utilizing compulsory labor to transport in-kind rents.[78] *Jagirdars* therefore preferred to collect rents in cash rather than in the form of foodgrains[79] in circumstances where they were unable to utilize in-kind rents for personal consumption. Arrangements were therefore gradually made in several parts of the country to convert in-kind rents on both *Raikar* and *Jagir* lands into cash payments at prescribed rates of conversion.[80] But the commutation of in-kind rents was not due solely to governmental initiative. A concomitant factor was that the increased use of money made tenants reluctant to pay rents in kind, at least in areas where

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[75] Cf. *Order Regarding Survey Of Jagir Lands In Chepe-Bheri Region*, Poush Sudi 6, 1885 (December 1828). (43/161); *Order Regarding Survey Of Jagir Lands In Daraundi-Achham Region*, Kartik Badi 10, 1884 (October 1827). (43/244); *Order Regarding Survey Of Jagir Lands In Areas Between Sunkoshi And Bheri Rivers*, Magh Badi 12, 1884 (January 1828). (43/275).

[76] *Ibid.*

[77] The government itself did not relinquish the right to transport in-kind rents through compulsory labor, however. Cf. *Order Regarding Transportation Of Rents From Salyan To Kathmandu*, Baisakh Sudi 15, 1903 (May 1846). (7/67).

[78] Chittaranjan Nepali, *General Bhimsen Thapa And Contemporary Nepal*, *op. cit.* p. 195.

[79] *Loc. cit.*

[80] Cf. *Order Regarding Commutation Rates For Jagir Rents In Achham*, Magh Badi 9, 1898 (January 1842). (31/121); *Order Regarding Payment Of Rents In Handigaun, Kathmandu*, Baisakh Sudi 8, 1897 (May 1840). (31/148).

marketing facilities were easily available. Thus, in early 1839, some ryots of Dhading district complained that agents appointed by *Jagirdars* were collecting rents from them in the form of foodgrains, with the result that they were not able to utilize such grains for their own consumption. The government thereupon decreed that in-kind *Kut* rents should be converted into cash at 16 *pathis* per rupee.[81] The situation was of course different in areas where market facilities were not so easily available. Thus in Achham, a royal order issued in 1830 prohibited *Jagirdars* from demanding payment in cash if the tenants possessed foodgrains. The *Jagirdars* were directed to collect their rents in kind and sell them if they wanted cash.[82]

It is not possible on the basis of available evidence to determine whether or not the commutation rates thus fixed corresponded to the current prices of foodgrains in the local markets. There seems some ground to presume, however, that the rates were higher than the current price level, thereby indirectly adding to the tax burden on the peasant, at least in some cases. Thus, in 1841, a peasant in Tanahu district complained that rents on a plot of 80 *muris* of *Jagir* land cultivated by him had been forced up through competition among prospective cultivator to 42 *muris* of paddy. This assessment was commuted into cash at Rs 1 per *muri*, thus making a total payment of Rs 42. The government thereupon cancelled the commutation, so that rent was now payable in kind, but at the same time increased the total assessment to 43 *muris*.[83] Obviously, the difficulty faced by the cultivator was due not to the level of the in-kind assessment but to its commutation into cash at Re 1 per *muri* of paddy.

In-kind assessments were thus converted to cash, and the general level of taxation steadily went up. Peasants had therefore to sell their produce in order to meet their fiscal obligations. However, their difficulties increased because the government tried to control the price of rice and other agricultural produce, mainly with the objective of lowering the costs of feeding the army. This policy artificially increased the real burden of the land tax on the cultivator. Thus, in the Dullu-Dailekh region in western Nepal, the government had fixed the price of rice at 10 *pathis* per rupee during the 6 months of winter and 8 *pathis* during other seasons.[84] The local people complained that at these prices they were unable to pay the cash rents due on *Jagir* lands assigned to military personnel and retain their allotments. They therefore offered to pay half an *anna* in excess of the prescribed payment in case the price control was lifted. The government accepted the increase, but at the same time fixed the price of rice at 8 *pathis* per rupee all the year round.[85] The cultivators were thus obliged to pay land tax at a higher rate for the privilege of selling rice at 8 *pathis* per rupee during the winter also. Such price control measures existed in Kathmandu and elsewhere as well.[86]

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[81] Cf. *Order Regarding Commutation Of Jagir Rents In Dhading*, Jestha Sudi 7, 1896 (May 1839). (38/47).

[82] Chittaranjan Nepali, *General Bhimsen Thapa And Contemporary Nepal*, *op. cit.*, p. 195.

[83] *Order Regarding Rents On Lands Cultivated By Tularam Gurung In Tanahu-ahok*, Shrawan Badi 9, 1898 (July 1841). (26/580).

[84] *Order Regarding Taxation And Judicial Customs In Dullu-Dailekh*, Aswin Sudi 4, 1879 (September 1822). (43/362).

From the viewpoint of the cultivator, the large-scale replacement of *Adhiya* rents by *Kut* and their commutation into cash created new difficulties. Lands were now allotted to the person who offered to pay the highest amount of rent, irrespective of where he actually lived. The custom that only local inhabitants should be allotted lands for cultivation consequently lapsed. *Jagirdars* were given unrestricted rights to evict their tenants in case they did not agree to pay higher rates of rent.[87] Persons who had been cultivating lands in the village for years were evicted, and their lands were given to outsiders.[88] Cultivators thus lacked security of both rent and tenancy rights. In case any perso offered the *Jagirdar* a higher rent for the holding, the existing tenant was compelled either to accept such higher rent himself or else relinquish his tenancy rights in favor of the newcomer.[89] Tenurial security thus depended upon willingness to pay rents over which no control existed. It was not surprising, therefore, that cultivators felt reluctant to cultivate *Jagir* lands on *Kut* tenure. In several cases, they relinquished such lands, which thus reverted to waste.[90] Often they were prevented from doing so because the government decreed that their tax liability would continue notwithstanding such relinquishment.[91]

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[85] *Order Regarding Prices Of Foodgrains In Bheri-Karnali Region*, Marga Sudi 5, 1886 (November 1828). (43/644).

[86] Cf. Chittaranjan Nepali, *General Bhimsen Thapa And Contemporary Nepal*, *op. cit.*, pp. 197 and 329-332.

[87] Cf. *Order Regarding Rents And Tenancy Rights On Jagir Lands Of Employees Of Dafdarkhana Kumarichok*, Magh Badi 12, 1884 (January 1828). (27/70); *Order Regarding Rents And Tenancy Rights On Jagir Lands Of Shardul Jung Company*, Bhadra Badi 8, 1884 (August 1827). (43/242).

[88] Cf. *Authority Granted To General Bhimsen Thapa To Allot Jafuti Lands On Kut Or Thek Tenure*, Poush Badi 3. 1890 (December 1833). (26/445).

[89] *Order To Prem Dev Joshi Regarding Enhancement Of Rents On His Jagir Holding In Chiti, Lamjung*, Baisakh Badi 8, 1904 (April 1847). (7/197); *Order To Bandana Brahmani Regarding Enhancement Of Rents On Her Jagir Holding In Bandipur*, Falgun Sudi 15, 1899 (March 1843). (7/700).

[90] Cf. *Allotment Of Waste Jagir Holding To Nahar Singh Rana And Others In Tanahu*, Ashadh Sudi, 1902 (June 1846). (31/37).

[91] Cf. *Order Regarding Cultivation Of Jagir Lands In Areas East Of The Bheri River*, Jestha Badi 30, 1881 (May 1824). (35/13); *Order To Cultivators On Jagir Lands Of Bhawanibux Company In Tanahu*, Ashadh Badi 2, 1885 (June 1828). (27/90).

The problem of eviction and competition for rents assumed such a serious form that the government was compelled to reconsider its policy. In 1833, *Kut* allotments made to non-resident persons on certain categories of *Jagir* lands assigned to the army were cancelled, and Prime Minister Bhimsen Thapa was granted authority to reallot such lands among local inhabitants. Each allotment was to be of a size capable of being cultivated personally by the allottee with the assistance of other members of his family and sub-letting was prohibited.[92] A similar reallotment of lands among the inhabitants of certain areas of Pyuthan district was ordered in 1836 when they complained that *Birta* owners to whom the lands had been granted had evicted them and appointed outsiders. The *Birta* grants were then resumed and assigned as *Jagir*.[93] But such occasional gestures hardly affected the growing competition for the use of agricultural lands.

Irrespective of whether they were collected in cash or in kind, the system of assessing agricultural rents on *Kut* basis suffered from a major defect from the viewpoint of both the government and *Jagirdars*. Since *Kut* rents were fixed at a specific figure and not in terms of a percentage of the actual yield, the government was constantly faced with the problem of determining the veracity of claims for remission on account of floods, washouts and other factors. According to an official statement made in April 1833:[94]

> Tenants who obtain *Jagir* and *Raikar* lands on *Kut* tenure obtain remissions every year on account of floods and washouts, as well as in consideration of the lands being waste. They do not repair or reclaim such lands even when this is possible. Remissions therefore had to be granted on large areas of land....

This difficulty was solved through the gradual replacement of in-kind rent assessments by direct cash assessments on a contractual basis in areas where transport difficulties made it difficult to scrutinize claims for remissions[95]. Under these revised systems of rent assessment, cultivators were under obligation to stipulate rents according to the productivity of the land. At the same time, government officials and *Jagirdars* were directed to fix rents only with the consent of cultivators,[96] although this was often obtained through the use of force.[97] Nor was productivity a basis sufficiently objective to set a definite limit to the level of rents. It only meant what cultivators could be forced to pay. In fact, the gradual replacement of the *Adhiya* system by systems under which a specified sum of money or quantity of foodgrains was payable on a specified area of land resulted in the progressive elimination of actual productivity as the basis for rent assessment. Rents under these systems were frequently raised in consideration of factors unrelated to productivity such as the deficit in the revenue required for local military units.[98] Moreover, there is evidence that *Jagirdars* were not satisfied even with the higher level of rents. They complained that the system prevented them from increasing rents even when additional areas were reclaimed inside their *Jagir* holdings. Their demands were met in several cases, as contractual rent assessments on their lands were cancelled and they were permitted to increase rents where possible.[99]

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[92] *Authority Granted To General Bhimsen Thapa To Allot Jafati Lands On Kut or Thek Tenure*, Poush Badi 3, 1890 (December 1835). (26/445).

[93] *Abolition Of Chhap, Manachamal And Other Lands In Pyuthan*, Magh Badi 3, 1895 (January 1839). (26/379).

[94] *Order Regarding Land Allotments On Kut Basis In Majhkirat*, Baisakh Badi 8, 1890 (April 1833). (26/286).

[95] Cf. *Allotment Of Jagir Lands On Kut-Thek Basis To Nahar Thapa*, Bhadra Sudi 1, 1890 (August 1833). (26/338).

[96] Cf. *Order Regarding Cultivation Of Jagir Lands Of Jualadal Company*, Ashadh Badi 13, 1882 (June 1825). (34/14).

Occasionally, land grants on the basis of contractual rent assessments in cash were made in favor of persons who did not cultivate the land themselves. The recipient thus constituted an intermediary class between the cultivator and the State or the assignee.[100] However, he was permitted to evict existing tenants only if they defaulted in the payment of the prescribed dues. The intermediary could then take up the land for personal cultivation.[101] The rents payable by the tenants were generally prescribed in such grants, but it is significant that the intermediary was placed under obligation to transmit the entire revenue collected from them to the appropriate *Jagirdar*. The grants thus did not provide for any remuneration to the recipients in consideration of the effort and risk undertaken by them. It is not difficult to imagine that they obtained compensation for such effort and risk in other ways at the cost of the cultivators.

The cumulative effect of these developments was to increase considerably the financial burden and tenurial insecurity of the peasantry. In fact, the level of rents determined in the course of the 1837 revenue settlements appears to have been the highest ever in the history of Nepal. Land tax rates were increased through these settlements not only in the hill districts[102] but also in the Tarai.[103] There were cases in which *Jagirdars* refused to accept the increased payments due to them according to the 1837 settlements and wanted the 1825 level to be restored,[104] obviously because they did not expect to be able to collect the increased rents from the peasantry. Local revenue functionaries who had stipulated payment at the enhanced level later retracted,[105] there by proving that such stipulations were often obtained through the use of force. It should be noted that the cost of such settlements was always realized from the ryots.[106] Simultaneously, various methods were adopted in order to maximize revenue from the land at the cost of the cultivator. One of these was to combine both good and unproductive lands together in one allotment. The peasant was thus compelled to meet the loss on unproductive lands with the profit he made on more productive lands. Peasants who refused to take up unproductive lands in this manner were forced to relinquish the entire allotment.[107] There were also cases in which revenue officials compelled landowners to pay land tax on an additional 0.25 *bigha* for every *bigha* of land held by them, even though the landowners did not actually possess the additional area. Landowners who refused to meet the additional tax liability were even subjected to physical torture.[108]

In the hill districts, including Kathmandu Valley, the occupancy rights of peasants on their lands and homesteads appear to have gradually acquired a customary character which was reinforced from time to time through royal order. This customary law, although it was never codified, may be summarized as follows in the form it had attained by the middle of the nineteenth century:

1. A peasant who reclaims waste lands and builds a homestead

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[97] Cf. *Cancellation Of Rent Enhancements On Jagir Lands In Salyan*, Marga Badi 9, 1880 (November 1825). (31/444).

[98] *Order Regarding Rates Of Thek Assessments On Jagir Lands In Dullu And Dailekh*, Marga Badi 1, 1880 (November 1823). (31/441).

[99] *Order Regarding Enhancement Of Rents On Jagir Lands Of Batukdal Company*, Magh Badi 3, 1896 (January 1840). (26/421); *Permission To Chautariya Birabrinda Parakram Shah To Increase Rents On His Jagir Lands*, Chaitra Badi 12, 1899 (March 1843). (26/529).

[100] Cf. *Allotment Of Jagir Lands In Phalamkot On Kut Tenure To Pratiman Ale*, Poush Sudi 10, 1882 (January 1826). (34/34); *Allotment Of Raikar Lands In Simras On Thek Tenure To Ranadhir Khadka*, Marga Badi 4, 1883 (November 1926). (35/47).

[101] Cf. *Land Allotment To Bahawal Khatri And Others On Kut-Thek Tenure*, Magh Sudi 8, 1890 (January 1834). (26/480).

[102] Cf. *Order Regarding Land Allotments In Itahi, Kirtipur*, Poush Badi 2, 1894 (December 1837). (26/693).

[103] Cf. *Order Regarding Revenue Collection On Jagir Lands In Eastern Tarai Districts*, Chaitra Badi 7, 1893 (March 1837). (35/91).

[104] *Order Regarding Refusal To Pay And Accept Increased Rents On Jagir Lands In Bheri-Mahakali Region*, Aswin Sudi 15, 1894 (October 1837). (26/670).

[105] *Ibid.*

[106] Cf. *Order Regarding Collection Of Salami Levy In Doti*, Jestha Sudi 9, 1895 (June 1838). (26/283).

[107] Cf. *Order Regarding Cultivation Of Jagir Lands In Sarang-kot*, Falgun Badi 9. 1890 (February 1834). (26/489); *Order To Mohinaikes In Salyan*, Ashadh Badi 3, 1897 (June 1840). (31/223).

[108] *Order To Subedar Badrinath Chhatkuli Regarding Complaints Of People Of Rautahat District*, Marga Sudi 2, 1902 (November 1846). (7/443).

thereon after paying the customary fees to the local officials shall not be evicted as long as he occupies it and makes the customary payments.[109]

2. In case a cultivated plot reverts to waste because the occupier is unable to cultivate it, and is later reclaimed by another person, the latter shall not be evicted from it.[110]
3. In case anybody has been cultivating a holding on payment of the customary dues, he shall not be evicted from it as long as he occupies it. However, the holding may be allotted to another person if he vacates it.[111] In that event, the previous[112] occupant shall not be entitled to claim the holding subsequently.
4. Cultivators who render compulsory services to the govenment shall in no circumstances be evicted.[113]
5. A *Guthi* landowner shall not be permitted to evict a cultivator who has been cultivating *Guthi* lands with his consent.[114]
6. Nobody who cannot make payments due on his homestead and maintain it properly shall be permitted to retain possession thereof. The homestead shall be reallotted to another person who can do so.[115]

These arrangements indicate that occupancy rights were based on actual cultivation and payment of the customary fees and dues to local officials and landowners. The emphasis was on continuous occupation, however, rather than on the retention of these rights merely through the fulfillment of these fiscal obligations. This precluded individual control over lands which could not be kept under cultivation. In other words, land was to be used primarily for subsistence, not as a field for monetary investment. The government did not permit rent-receiving landownership, except through *Birta* grants or *Jagir* assignments.

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[109] *Order Regarding Land Ownership Dispute Between Kashinath Padhya And Ranasur Newar In Chainpur*, Jestha Sudi 15, 1904 (June 1847). (7/289).

[110] *Order Regarding Eviction Of Ramachandra Mijhar For Jagir Holding In Bumkot (Nuwakot)*, Chaitra Sudi 8, 1901 (April 1844). (7/12).

[111] *Order Regarding Eviction Of Dira Khasini*, Magh Sudi 13, 1902 (February 1846). (7/50); *Order Regarding Eviction Of Atibal Lohar In Kapan, Kathmandu*, Falgun Badi 5, 1902 (February 1846). (7/56).

[112] *Order Regarding Eviction Of Babiya Baranu In Phujel, Gorkha*, Kartik Badi 4, 1902 (October 1845). (7/27).

[113] *Order To Bahidar Harsha Prohibiting Eviction Of Bosi And Other Rakam Workers*, Ashadh Badi 6, 1904 (June 1847). (7/338).

[114] *Order Regarding Complaint Of Hir[illegible] Thapa Against Eviction From Guthi Lands In Gorkha*, Jestha Sudi 3, 1904 (May 1847). (7/280).

[115] *Order Regarding Allotment Of Homesteads In Okhargaun*, Chaitra Sudi 1, 1903 (March 1847). (7/185).

Forced Labor And Slavery

The end of the Nepal-British war was naturally followed by a reduced demand for *Jhara* labor. In the absence of alternative uses to which such labor could be put, there was an increasing trend towards the commutation of *Jhara* obligations into payments in the form of cash or commodities. Accordingly, after 1837, these obligations were commuted into cash payments in the far-eastern,[116] far-western[117] and other hill areas.[118] But such commutation did not prejudice the right of the government to exact *Jhara* labor for the repair of ferries and irrigation channels and road construction, as well as for the transport of arms and ammunition in times of war. Elsewhere, the exaction of *Jhara* labor for such purposes as the capture of wild elephants, construction and repair of irrigation channels,[119] temples,[120] forts,[121] bridges and market towns[122] continued. Only occasionally was surplus *Jhara* labor utilized for such productive purposes as land reclamation. In 1837, the inhabitants of certain areas in Ilam district were thus exempted from *Jhara* in other forms of every family reclaimed 5 muris of waste lands every year.[123]

At the same time, certain factors appear to have made it progressively more difficult for the government to exact *Jhara* obligations effectively. The most important of these was the gradual collapse of the traditional system under which agricultural lands were allotted only to local inhabitants. As long as this system continued, people were assured of a minimum means of subsistence and therefore tended to look upon *Jhara* obligations as a counterpart to the security they enjoyed in respect to land. With the collapse of this system owing to keen competition for the land and the gradual replacement of the *Adhiya* system by the *Kut* system, they no longer enjoyed this counterpart facility. Thereafter, the use of force to enforce the fulfillment of *Jhara* obligations became increasingly unavoidable. It is significant that the help of the army had to be sought even while exacting *Jhara* labor for such local development projects as the construction of irrigation channels.[124] Moreover, since local inhabitants had to compete with outsiders for the right to cultivate land, the village no longer became a closed economic unit and increased labor mobility emerged in the agrarian field. This too had had an adverse effect on the *Jhara* system.

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[116] *Commutation Of Jhara Obligations In Different Areas Of Chainpur*, Chaitra Sudi 15. 1884 (April 1828). (31/336-339).

[117] *Commutation Of Jhara Obligations In Areas East Of The Mahakali River*, Ashadh Badi 11, 1894 (June 1837). (26/656).

[118] *Commutation Of Jhara Obligations In Bhorletar And Other Areas (In Lamjung)*, Baisakh Badi 11, 1885 (April 1828).

[119] *Exaction Of Jhara Labor In Salyan To Capture Wild Elephants*, Aswin Sudi 15, 1890 (October 1833). (26/357).

[120] *Exaction Of Jhara Labor For Construction Of Temples In Gorkha*, Aswin Sudi 15, 1890 (October 1833). (26/367).

[121] *Exaction Of Jhara Labor For Construction Of Chisapani Fort*, Poush Badi 9 1890 (December 1833). (26/372).

[122] *Exaction Of Jhara Labor For Construction Of Butaul Taur*, Kartik Badi 10, 1890 (October 1833). (76/373).

[123] *Remission Of Jhara Obligation For Persons Reclaiming Waste Lands In Phakphok, Ilam*, Chaitra Sudi 15, 1884 (April 1828). (31/359).

During the post-war period, therefore, even while the government did not formally relinquish its right to exact *Jhara* labor from the people, the trend towards a *quid pro quo* in the form of fiscal concessions and tenurial privileges intensified. Transport services being provided under the *Jhara* system were gradually reorganized as *Hulak*, that is to say, relays of porters along specified routes to transport government and military stores and mail. *Hulak* porters were given exemption from the payment of homestead levies, often in addition to partial exemption in respect to taxes on *Pakho* lands. They were also exempted from compulsory labor obligations in general. Although the paddy fields they cultivated remained subject to the payment of rents, local officials and assignees were prevented from evicting them[125] Moreover, restrictions were imposed on the right of *Jagirdars* to increase arbitrarily rent assessments on *Hulak* holdings.[126] *Hulak* porters thus enjoyed a measure of tenurial security not available to other cultivators providing *Jhara* labor. Moreover, they were entitled to land allotments on a preferential basis.[127] As a result of these measures, *Hulak* came to be regarded more as a privilege than as an obligation.[128] It began to be gradually accepted that *Hulak* labor was to be contributed only in consideration of land allotments, fiscal concessions and other facilities. The growing scarcity of cultivable lands, tenurial inequities and the low level of the people's expectations thus made the people willing to render *Hulak* services in consideration of land allotments and exemption of homestead and other taxes that at best amounted to only two or three rupees every year. It should also be noted that the tenurial protection granted to them only emphasizes the conditions of insecurity in which the majority of the peasantry lived.

The difficulty faced increasingly by the government in meeting its labor requirements through the *Jhara* system was also responsible for the arrangements made in certain cases to pay wages to porters and other laborers. Thus, in Chitlang and other villages situated on the Kathmandu-Hitaura route, arrangements were made to pay the inhabitants wages even for the transportation of government supplies. Subsequently, they voluntarily relinquished such wages when their demand that they should not be employed in the malarial areas of Hitaura during the monsoon was conceded and they were exempted from homestead and other taxes.[129] Presumably because the area had become depopulated, the number of porters employed to transport royal palace goods from Hitaura to Chitlang was increased from 20 to 25. Each porter was paid wages amounting to Rs 40 yearly.[130] Similar measures were undertaken in the Tarai districts also. According to regulations promulgated in 1831 in Saptari and Mahottari districts:[131]

> Pay wages in cash to porters employed for transporting goods procured for the palace. ... The amount so paid as wages shall be debited (from the revenue collected in these districts).

Measures continued to be taken with the objective of ameliorating the condition of slaves and bondsmen. In 1826, a proclamation was issued calling on slaves, bondsmen and debtors who had escaped to India to come back along with their families and reclaim waste lands which had been assigned as *Jagir* to the army in Udayapur district in the inner Tarai. The proclamation prohibited owners and creditors from taking physical possession of such returnees, although they could reclaim their dues from their slaves, bondsmen and creditors after the latter became able to repay.[132] However, it is evident that this measure was due more to the scarcity of labor and the need to promote land reclamation and settlement at any cost than to any real desire on the part of the government to improve the lot of slaves, bondsmen and debtors. It is significant that a similar proclamation was issued on the same date also for murderers and other criminals who had escaped to India.[133] In any case, it appears doubtful whether these proclamations succeeded in attracting returnees. Freedom in exile must have appeared a better prospect in life to them than a return to slavery, bondage and indebtedness and the obligation to toil long and hard on waste lands in the malarial area of the [illegible] Tarai so that they might eventually repay their masters and creditors, obviously with arrears of interest.

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[124] Cf. *Order Regarding Construction Of Irrigation Channels In Salyan*, Kartik Sudi 15, 1898 (November 1841). (31/193).

[125] Cf. *Fiscal Exemptions For Hulaki Porters In Salyan*, Marga Sudi 13, 1877 (December 1820) (38/260); *Fiscal Exemptions For Hulaki Porters In Khuku*, Chaitra 2, 1877 (March 1821). (38/268).

[126] Cf. *Order Regarding Rent Assessment On Jagir Lands Of Batukdal Company*, Magh Badi 3, 1895 (January 1839). (26/421).

[127] Cf. *Kaji Prasad Singh Basnyat's Order Regarding Land Allotments To Hulaki Porters*, Poush Sudi 2, 1898 (December 1841). (31/200).

[128] Cf. *Kaji Prasad Singh Basnyat's Order Regarding Increase In Hulaki Households In Lamjung*, Kartik Badi 10, 1898 (October 1841). (31/191).

[129] *Order Regarding Abolition Of Beth And Begar Labor In Chitlang*, Magh Badi 2, 1890 (January 1834). (26/462).

[130] *Appointment Of Porters For Transportation Of Royal Palace Supplies From Hitaura To Chitlang*, Chaitra Badi 11, 1890 (March 1834). (26/503).

[131] *Saptari-Mahottari Administrative Regulations*, Poush Sudi 2, 1888 (December 1831). (44/410). Section 9.

[132] *Appeals To Runaway Slaves And Criminals To Reclaim Jagir Lands In Udayapur*, Shrawan Badi 4, 1883 (July 1826). (24/44).

[133] *Ibid.*

In 1834, large areas of lands in all parts of the country were reported to have reverted to waste as a result of the enslavement of the peasantry. Orders were therefore promulgated in that [illegible] throughout the country making governmental approval [illegible] for each transaction in human beings. According to these orders:[134]

> Local officials of different areas have reported that since no restrictions have been imposed on the sale and purchase of the children of ryots with the agreement of both the seller and the purchaser, indigent ryots have been uprooted. In the future, children of ryots shall not be sold and purchased anywhere on the ground that such a practice has been customary, nor shall creditors or local officials forcibly enslave debtors or ryots in settlement of loans, without obtaining our approval.

The order then specified that such approval should be obtained from Kathmandu through the appropriate district administrators.[135] There is no evidence, however, that such measures succeeded in checking the growing scale of enslavement. This is hardly surprising, for mere restrictions on enslavement were bound to remain ineffective in the absence of basic reforms in the entire moneylending, revenue and judicial systems.

Land Reclamation And Settlement

The increased competition for cultivated lands due to the gradual growth of population might have been alleviated to some extent had efforts been made to promote land reclamation and settlement. However, direct and concerted efforts in this field do not appear to have been made during the post-war period. Waste lands, no doubt, continued to be granted to individuals for reclamation,[136] but these were due more to a desire for personal enrichment on the part of the recipients than to the government's program for development. In certain cases, local officials and individuals were encouraged to attract settlers from India to reclaim waste lands,[137] but primary reliance was placed on such indirect measures as the amnesty proclaimed in 1826 to runaway

slaves, debtors and criminals who reclaimed waste lands and settled down in Udayapur. The permission granted to ryots in certain areas to reclaim as much lands as they liked without any regard to the boundaries of their holdings[138] too may be regarded as part and parcel of the same policy. Often exemption was granted from *Jhara* obligations to persuade people to bring new lands under the plow.[139]

Jhara obligations continued to be utilized for the construction of new irrigation facilities.[140] The government undertoook to bear the expenses of new irrigation projects only occasionally.[141] It operated a number of irrigation channels in different areas in the central hill region.[142] Officials in these areas were appointed to maintain such irrigation channels through the labor of the local cultivators and insure the regular supply of irrigation water. Tenants who did not provide such labor were liable to be evicted. These officials were also required to encourage the reclamation of waste lands through the extension of irrigation facilities.[143]

High rates of interest proved detrimental to individual enterprise in financing land reclamation projects. In Morang district, rates varied from 12% to 40% yearly,[144] even though the statutory rate was 10% only. The situation was worse in the hill districts. For example, in Gorkha district, a rate of even 300% per year was occasionally charged.[145] Complaints were received from time to time that because of such exorbitant interest charges, "several debtors have become bondsmen, while several others have absconded."[146] Rates of interest were thus out of all proportion to the actual return on capital, possibly because of its acute scarcity. In these circumstances, statutory control of interest rates had little meaning, and this may be the reason why the government was unable to follow a consistent policy in fixing rates. Thus, in April 1835, moneylenders in Morang were permitted to charge 15% interest on cash loans,[147] but in December 1836, a public notification reiterating King Ram Shah's regulations prescribing 10% for cash loans and 25% for in-kind loans was issued for the entire Kingdom[148]

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[134] *Ban On Slave Traffic In Bheri-Mahakali Region*, Shrawan Badi 4, 1891 (July 1334). (1/506).

[135] *Ibid.*

[136] Cf. *Allotment Of Waste Lands For Reclamation To Keshar Singh Khawas In Nuwakot*, Poush Badi 3, 1884 (December 1827). (34/162).

[137] Cf. *Order Regarding Resettlement In Areas East Of The Mechi River*, Baisakh Badi 1, 1895 (April 1838). (26/264).

[138] Cf. *Order To Jimmawals In Musikot Regarding Cultivation Of Raikar Lands*, Chaitra Badi 11, 1899 (March 1843). (26/527).

[139] Cf. *Remission Of Jhara Obligations For Persons Reclaiming Waste Lands In Pharpok, Ilam*, Chaitra Sudi 15, 1884 (April 1828). (31/339).

[140] Cf. *Exaction Of Jhara Labor For Construction Of Irrigation Channels In Rising And Ghiring*, Marga Badi 4, 1882 (November 1825). (34/129).

[141] Cf. *Order Regarding Construction Of Irrigation Channels In Kaski*, Marga Sudi 11, 1882 (December 1826). (34/140).

[142] Cf. *Orders Regarding Land Reclamation And Irrigation In Bhirkot And Other Areas*, Marga Badi 10 and Marga Sudi 1, 1890 (November 1833). (26/435).

[143] Cf. *Arrangements Regarding Land Reclamation And Irrigation In Syangja, Kaski And Other Areas*, Marga Sudi 3, 1903 (November 1846). (26/163).

[144] *Order Regarding Rates Of Interest In Morang*, Baisakh Sudi 13, 1892 (May 1835). (45/82).

[145] Farmers who obtained loans to finance land reclamation were required to pay 2 *muris* of maize during the winter for every Rs 1 borrowed during the monsoon season, when maize sold at Rs 1 per *muri*. This meant an interest rate of 300% per year. In the event of default, the outstanding amount was converted into a fresh loan payable on the original terms. *Order Regarding Rates of Interest in Warpak Gorkha*, Poush Sudi 5, 1894 (December 1837). (26/703).

Impact On Agrarian Conditions

The gradual conversion of in-kind rent assessments and labor obligations into cash payments, the growing financial burden resulting therefrom and the enhanced status granted to village headmen were the most significant developments from the viewpoint of the peasantry that occurred during this period. Peasants no longer enjoyed the comparative security of a plot of land in the village where they lived and the facility of rent payments in the form of agricultural produce. In the keen competition for land, they had to outbid others even to retain occupation of the holding they had been cultivating for years. They had to find buyers for their produce in order to raise the cash they needed to fulfil their rent obligations. When such buyers were not available, the only course left open for them was to borrow from a moneylender. And failure to repay loans not infrequently resulted in enslavement.

Since local revenue collectors were appointed directly from Kathmandu, the importance of the district-level administrative machinery tended to decline. Local functionaries visited Kathmandu to solicit favors from the administration. They extorted payments from their ryots to finance such journeys. Kathmandu issued orders prohibiting such extortion, but did not object to payments made "willingly" by the local people.[149] However, in the chaotic administrative situation then prevailing, it was obviously difficult to define the distinction between extortion and voluntary payments. Nor were the administrative offices of the government at the local level entirely free from blame

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[146] *Ibid.*

[147] *Order Regarding Rates Of Interest In Morang*, Baisakh Sudi 13, 1892 (May 1835). (45/82).

[148] Chittaranjan Nepali *General Bhimsen Thapa And Contemporary Nepal*, *op. cit.*, pp. 199-200.

[149] Cf. *Prohibition To Subbas And Rais In Pallokirat To Exact Money From Ryots To Visit Kathmandu*, Jestha Badi 7, 1891 (May 1834). (1/494); *Prohibition To Local Functionaries In Jumla To Exact Money From Ryots To Visit Kathmandu*, Shrawan Badi 4, 1891 (July 1834). (1/505).

in this respect. Neither in the hill areas nor in the Tarai did government offices and courts issue receipts to the people in respect to payments made by them.[150] Local officials were thus free to collect whatever they liked.

The enhanced authority which village headmen enjoyed under the new systems of revenue collection created new harassments for the peasantry. Village headmen demanded milk cows from the ryots, exacted arbitrary taxes and forced and unpaid labor, purchased rice and other provisions at rates below those current in local markets and denied remissions in the event of crop failure.[151] The government made an effort to meet this situation by directing that only persons acceptable to the local community should be appointed or retained as village headmen. Headmen who oppressed the people or left the village were dismissed.[152] But it appears likely that such popularity generally meant nothing else than a capacity to harass and intimidate the peasantry. Nor did district adminstrators view with equanimity a situation in which they could not collect payments from the people. Notwithstanding the direct arrangements made with local functionaries for the collection of revenue, these officials continued "to collect illegal taxes and fines and thus oppress the people."[153] Continued impoverishment of the peasantry was the cumulative effect of these developments. The Raja of Jajarkot reported in 1833; "The peasantry have been greatly impoverished and are unable to pay anything."[154] In spite of all these hardhips faced by the peasantry, the fiscal concession granted by the government was limited to a 50% reduction in the rates of the *Walak* levies in the hill districts.[155].

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[150] Cf. *Order To Bichari Of Pyuthan Adalat Regarding Issuance Of Receipts Against Payments Of Fees*, Chaitra Badi 12, 1890 (March 1834). (27/503); *Order To Amalis And Bicharis Of Dullu-Dailekh Regarding Issuance Of Receipts Against Payment Of Fees*, Jestha Badi 7, 1891 (May 1834). (1/497).

[151] Cf. *Order Regarding Complaints Of Oppression In Achham*, Chaitra Badi 4, 1890 (March 1834). (27/301); *Order Regarding Tax Remissions In Jumla*, Falgun Badi 5, 1890 (February 1834). (26/484).

[152] Cf. *Appointment Of Jogiya Pun As Mukhiya In Panchthaplala, Salyan*, Aswin Badi 6, 1890 (September 1833). (26/348); *Order Regarding Complaints Of Oppression In Achham*, Chaitra Badi 4, 1890 (March 1834). (27/301).

[153] Cf. *Order Regarding Collection Of Illegal Taxes In Dullu-Dailekh*, Bhadra Badi 30, 1890 (August 1833). (26/344) *Order Regarding Collection Of Illegal Taxes In Sunar*, Shrawan Badi 1, 1890 (July 1833). (26/327).

[154] *Order Regarding Payment Of Salaries To Naya Srinath And Ransadal Companies From Ijara Revenues Of Beni Mint*, Marga Badi 14, 1890 (November 1833). (1/542).

[155] The reduction was first decreed in 1813. *Reduction In Saune-Fagu Walak Levies In Trishuli-Marsyangdi And Trishuli-Sindhu Regions*, Baisakh Badi 5, 1870 (April 1813). (41/249). It was extended to the eastern hill districts in 1833. *Reduction In Sauna-Fagu Walak Levies In Sindhu-Sunkoshi Region*, Jestha Sudi 15, 1890 (June 1833). (26/318).

In the Tarai districts, higher land revenue assessments and progesively higher bids offered by revenue collection contractors made conditions so intolerable for the peasantry that they were left with no alternative but to emigrate. The government maintained that such emigration was the result of the oppression indulged in by revenue collection contractors.[156] However, these contractors themselves were left with little choice in the face of the ever increasing revenue demands of the government.

The post-war period, in fact, witnessed a large-scale exodus of people from several parts of Nepal to Indian territory.[157] Among the important factors contributing to this exodus were excessive taxation resulting from recurrent revenues settlement operations,[158] and the pressure of moneylenders and slave owners.[159] Simultaneously, several pull factors exerted their influence from the Indian side, of which the most important was the recruitment of Gorkhali soldiers in the armies of the East India Company[160] and the native Punjab government.[161] In the absence of a formal arrangement with the government of Nepal, the East India Company faced considerable difficulty in finding suitable recruits. This led to the founding of a number of Gorkhali settlements near regimental stations in north-western India,[162] which created an additional inducement to emigration from Nepal.[163]

Prime Minister Bhimsen Thapa held undisputed sway over the administration of Nepal for an uninterrupted period of 31 years after the assassination of Rana Bahadur Shah in early 1806. Since the administration remained military-oriented for a long period after the Nepal-British war, a regime which may be described as a military dictatorship emerged. There is not much evidence that it was responsive to the needs and aspirations of the people. The period of peace following the Nepal-British war thus witnessed little progress in Nepal's economic field. Their defeat at the hands of the British might have proved a traumatic experience for the rulers; however, it had also brought in conditions of unprecedented security. It had opened up opportunities for consolidation and development. But there is no evidence that these opportunities were properly utilized or even realized. Except in the field of fiscal policy, the government rarely undertook any reform measure on its own initiative. It merely reiterated reform measures initiated in the past without making efforts to find out why these had not been implemented or to facilitate such implementation. Throughout the period after the war to the rise of Jung Bahadur in 1846, the sole objective of official policy was maintenance of the *status quo*, while averting danger to national independence and the security of the regime.

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[156] Cf. *Order Regarding Revenue Collection On Jagir Lands In Eastern Tarai Districts*, Chaitra Badi 7, 1893 (March 1837). (35/91).

[157] Cf. *Order Regarding Complaints Of Emigration Of Ryots From Doti*, Bhadra Badi 13, 1895 (August 1838). (27/588); *Appeal To Emigrants To Return To Doti*, Magh Sudi 3, 1897 (January 1841). (31/259); *Appeal To Emigrants To Return To Pyuthan-Mahakali Region*, Aswin Sudi 7, 1897 (October 1840). 31/248).

[158] *Ibid.*

[159] Cf. *Appeal To Runaway Slaves And Criminals To Reclaim Jagir Lands in Udaypur*, Shrawan Badi 4, 1883 (July 1826). (34/55).

[160] Ramakant, *op. cit.*, p. 102.

[161] Dinesh Raj Pant, "Lahorema Nepali Bir Haru". (Nepali Heroes In Lahore), *Purnima*, No. 5, Baisakh 2022 (April 1965), pp. 63-70.

[162] British Ministry of Defence, *Nepal And The Gurkhas*, London: Her Majesty's Stationery Office, 1965, p. 131.

[163] Pallokirat was one of the areas worst affected by the problems of indebtedness and emigration. In 1834, the government was forced to declare an eight or ten-year moratorium on all loans and interest payments, and even a tax remission for 3 years, in an effort to stem the tide of emigration. *Order Regarding Emigration of Limbus From Pallokirat.* Ashadh 11, 1891 (June 1834). (37/357).

CHAPTER X

A RETROSPECT

We have now come to the end of our study in the economic history of Nepal during the period from 1768 to 1846. In the foregoing chapters, we have described the process of political unification and its economic aspects and consequences. We have made a general survey of economic conditions prevailing in different areas now constituting the Kingdom of Nepal on the eve of the Gorkhali conquests. We have then described the land tenure and fiscal policies of the government of Nepal as part and parcel of efforts to moblilze resources for territorial expansion. This was followed by an analysis of agrarian conditions in different parts of the Kingdom and the burden of the war effort thrust on the peasant in the form of land and other taxes and compulsory labor obligations. We have also discussed the systems of local and district administration devised to enforce these fiscal and labor obligations and their impact on the economic life of the people. The policies and programs followed by the government of Nepal during the period from 1768 to the Nepal-British war (1814-16) for increasing production in both the agricultural and non-agricultural sectors have come next in our study. In the preceding chapter, we have given a resume of general economic developments during the post-war period, from 1816 to 1846. In this final chapter, we shall make an attempt, notwithstanding the risk of truism and repetition, to analyze broadly the general characteristics of the national economy during this period.

The most prominent characteristic of the national economy during this period was the low density of population in relation to the available area of cultivable land. This factor explains the efforts of the Gorkhali rulers to attract settlers from Tibet, Sikkim and India. The objective of these efforts was not merely to augment labor supply over a short term, but to increase population on a long-term basis. There is no doubt that they were generally successful, although it is difficult to make quantitative estimates. It should be noted that efforts to attract manpower were limited primarily to the field of agriculture. The Gorkhali rulers did not follow in the wake of their Malla predecessors by procuring mercenary troops from India to fight their battles.

At the same time, there were several factors which offset the limited measure of success which the Gorkhali rulers achieved

in encouraging immigration in the field of agriculture. One was the scale of military recruitment inside the country. The large-scale conscription measures which they undertook, particularly in the western hill areas during the war with China and British India, cannot but have affected the supply of agricultural labor. The second factor was the forced labor system, under which peasants were compelled to work for the government to the neglect of their own farms. We have referred to official admissions from time to time to the effect that the system affected cultivation adversely.

Emigration was another significant factor which reduced the supply of agricultural labor. In Chapter 9, we have referred to the growing trend, particularly during the post-war period, towards emigration from various parts of the Kingdom. It is difficult in the absence of data to make any speculation with regard to the scale or pattern of such emigration. Nevertheless, it may be correct to assume a net outflow of population from the hill regions to India and a net inflow from Tibet to the northern hill regions and from India to the Tarai region. Emigration from the Tarai region to India, to which references are numerous in contemporary documents, was possibly nothing more than a short-term affair, as we have pointed out in Chapter 7. Immigration into the Tarai from the adjoining areas of India appears to have constituted a simultaneous and more powerful trend which possibly had not been checked until quite recently.

Climatic factors may provide an explanation to this conflicting trend in population movements. The Tarai regions of Nepal have a highly malarial climate and this discouraged any significant movement of population from the hills to the Tarai. Emigrants from the hill regions of Nepal accordingly tended to move to those regions of India where they found suitable climatic conditions. On the other hand, immigrants from the adjoining areas of India found the climate of the Tarai regions of Nepal little different from what they were used to. It is significant that there is no evidence of any immigration from India to the hill regions of Nepal during the eighteenth and nineteenth centuries.

However, climatic factors only help to determine the direction of population movements; they do not explain why people should emigrate at all. In Chapter 9, we have cited the pressure of moneylenders and slaveowners and excessive taxation as among the basic causes of emigration. We have also referred to certain pull factors operating from the Indian side. However, it must be stressed that these pull factors provided only an incidental and not the underlying motivation for emigration. This means that people who left Nepal to settle in India did so primarily because they were unable to maintain themselves at the customary level of subsistence.

In any case, it appears safe to conclude that during the period after political unification, there was a growing trend towards immigration and that the government tried its best to encourage it and check emigration. Such a policy is understandable only in a situation where the marginal productivity of labor is higher than zero, that is to say, where agricultural production increases through the application of additional labor. But if the marginal productivity of labor is higher than zero, some explanation must be found for the growing trend towards emigration. We may postulate that immigrants were welcomed because they brought in not only manpower but also capital, and that the exodus of population, mainly from the hill regions, was due primarily to lack of capital. Indeed, there is evidence to believe that the average productivity of capital employed in agriculture was fairly high.

Shortage of capital was, in fact, the crucial factor behind Nepal's failure to develop its economy during this period. It is true of course, that the supply of capital alone does not necessarily contribute to economic growth. As Lewis says: "The three proximate causes of economic growth ... are economic activity, increasing knowledge, and increasing capital."[1] But since the aim of economic development must be to increase the physical productivity of labor,[2] and such increase is, in the main, the fruit of capital accumulation,[3] the role of capital would appear to be of crucial importance. In the words of Nurkse, "productivity or output per man-hour depends largely, though by no means entirely, on the degree to which capital is employed in production. ... it is a function ... of the capital-intensity of production."[4] Moreover, without under-rating the importance of the other causes of economic growth mentioned by Lewis, it must be admitted that the application of increasing amounts of capital to the processes of production is the catalyst without which economic activity cannot be intensified, nor knowledge increased.

Assuming that the marginal productivity of labor was higher than zero, it follows that the real cause of economic stagnation

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[1] W. Arthur Lewis. *The Theory Of Economic Growth*, London: Geroge Allen & Unwin Ltd. 1963 (6th impression), p. 23.

[2] Celso Furtado, "Capital Formation and Economic Development." In A. N. Agarwala and S. P. Singh (ed), *The Economics Of Underdevelopment*, New York: Oxford University Press, 1969 (Reprint), p. 313.

[3] *Ibid*, p. 319.

[4] Rugnar Nurkse, *Problems Of Capital Formation In Underdeveloped Countries*, Bombay: Oxford University Press. 1966 (Reprint), p. 9.

was the low ratio of labor and capital to available land resources. In other words, the average productivity of labor was low because not enough capital was available to improve the productivity of the land through the construction of irrigation facilities and otherwise.

Since capital within the national economy can be generated only through savings, we shall now discuss to what extent economic systems and institutions in Nepal during this period were geared to the task of generating and mobilizing savings for investment. In this discussion, our attention must of necessity be concentrated to the field of agriculture, which constituted the primary field of economic activity and contributed to the major portion of national production. The most outstanding feature of the agricultural system was that at least half of the total produce of the land was taken away from the peasant without any consideration. Moreland's observation about Mughal India[5] that "next only to the weather, the administration was the dominant factor in the life of the country" thus applied to Nepal and possibly with greater appropriateness. The disadvantages of such a system of share-cropping has been admirably summed up by Gunnar Myrdal in the following words:[6]

> Consider a simple and typical case in which the gross output is divided equally between the landlord and the tenant. Let it be supposed that productivity is so low that the share-cropper and his family eat 40 per cent of the gross output and that 5 per cent is set aside as the tenant's share of the seed. For simplicity, we shall make the not entirely realistic assumption that none of the gross output need be allocated as feed for work animals. The share-copper thus has 5 per cent left for purchases of non-agricultural goods and services. Let it further be assumed that, by annual investment of an amount equal to 5 per cent of the gross output, it would be possible to increase gross output by 10 per cent. Even with this every favourable input-output radio for a short-term investment, the transaction would not be particularly profitable for the share-cropper. If he were to avoid calling on outside sources for funds, he would have to abstain from all of his usual purchases of goods and services in order to increase his return from 50 to a mere 55 units, that is, by no more than the five units he had put in while the landlord would reap the whole net benefit of the operation.

Myrdal then carries the analysis further:[7]

> When we further consider that the share-copper will seldom be able to finance small investments himself, either from current or past savings, but will have to borrow at every high rates of interest, it becomes clear that only in exceptional cases when investments yield extraordinarily large, quick and certain returns can he derive any benefit from an intensification of production requiring anything

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[5] Cited in Sulekh Chandra Gupta, *op. cit.*, p. 9.

[6] Gunnar Myrdal, *Asian Drama, An Inquiry Into The Poverty Of Nations*, Britain: The Penguin Press, 1968. Vol. II, p. 1055.

[7] *Ibid*, pp. 1065-66.

> beyond his own labour. And even when he "invests" additional labour input in projects that raise output—say in bunding or terracing—he will be aware that, in the best of circumstances, half of the gain will be a free gift to his landlord, and in the event of an unfavourable monsoon, all or most of his extra effort will have been completely wasted. Moreover, he may be deterred by an awareness that the provision of a permanent improvement to the land might increase his vulnerability to eviction in favor of a new tenant from whom the landlord would claim a higher crop share.

This means, in effect, that the landholding system then prevalent in Nepal did not create a situation in which the peasant might be encouraged to invest either more labor or more capital in the processes of agricutural production, with a consequent deleterious impact on the total volume of such production. As Lewis says:[8]

> In those countries where landlords take fifty per cent of the farmers output and do nothing for them in return, it is hard to believe that agricultural productivity would not be greatly increased if this incubus were removed from the farmers' backs.

The surplus agricultural production which was taken away in this manner was not utilized productively in the sense that it only helped to maintain an oligarchic group which had no economic function. Rent payments might have increased the demand for some goods and services, but there is no evidence to prove that the peasantry benefited thereby. The food requirements of the landowning classes were met largely through such payments without recourse to the market. Even when food purchases were necessery for the military, these were conducted at prices much below current rates. The result was that the peasantry lost instead of gaining through such transactions.[9] Nor were governmental disbursements oriented towards development or, indeed, reach the peasantry in any way. Administrative functions were restricted to defense against external attacks, maintenance of law and order and collection of revenue. Expenditure outside of these fields for public welfare activities was negligible. Even in respect to the supply of credit for land reclamation and resettlement, where investment would have yielded direct and immediate returns, the parsimony of the government is conspicuous. For example, in 1808, when net revenue from Morang district totalled Rs 96,159,[10] the amount sanctioned for the construction of irrigation facilities was only Rs 1000 or 1.03%.[11] In order to render these figures more meaningful, it may be sufficient to point out that in 1817, when the *Amanat* system was

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[8] Lewis, *op. cit.*, p. 124.

[9] Cf. *Order Regarding Complaints Of Oppression In Eastern Tarai Districts*, Chaitra Badi 9, 1865 (March 1809). (36/225).

[10] *Ijara Grant To Harikrishna Das For Revenue Collection In Morang*, Jestha Badi 13, 1865 (May 1808). (36/91).

[11] *Order To Ijaradar Harikrishna Das Regarding Supply Of Loans For Settlement In Morang*, Bhadra Sudi 2, 1865 (August 1808). (36/154).

reintroduced in Morang district, the revenue collector was paid a salary of Rs 3600 per year.[12]

Prices of factors of production tend to measure their productivity in a free market. Rents are low, interest rates on capital high and the returns to labor also high in a situation where labor and capital are scarce in relation to the supply of lands, as in Nepal during the period covered by our study. In fact, *Birta* and other landowners competed among themselves to offer increasingly attractive terms to cultivators. But the State interfered in the free operation of the laws of demand and supply in relation to labor because the absorption of the lion's share of agricultural production constituted the main foundation of its military, administrative and political policies. The peasantry were confronted with a rent-receiving class which had the authority of the State behind it. Indeed, it is inconceivable that rents would have approximated half of the gross produce if the coercive powers of the State had not interfered. The landholding system thus created insured that agricultural production was not geared to the market mechanism, and was meant primarily not for profit but for subsistance and the fulfillment of landholding obligations. This thesis is not disproved by the fact that the Tarai exported large agricultural surpluses to India. The export trade was handled by *Zamindars* and other intermediaries who had no direct relationship with the processes of production. Marketable surpluses possibly reached their hands in the form of rents, not through the operation of the market mechanism. Irrespective of in which region he lived, the cultivator produced only for his family and for his landlord. Price fluctuations therefore did not affect the volume of production.

It does not follow from the above discussion that a reduction in the level of rents would have encouraged the accumulation of capital, for, without doubt, a considerable part of the resources left thereby in the hands of the peasantry would have been spent on consumption. Contemporary social, administrative and political conditions in fact were not conducive to the growth of savings. They discouraged the acquisition of immovable property. Rights in the land were tied primarily to subsistence needs and possessed exchange value possibly only to the extent of the investment made therein in the form of labor. In any case, there is not much evidence that such rights were regarded as an avenue of monetary investment in most parts of the country. Even ignoring the ban imposed and reiterated from time to time on transactions in important categories of lands, tenurial insecurity in itself must have inhibited any tendency to regard land as a safe form of property. Complaints which occur with remarkable frequency about eviction from lands and homesteads by local officials and revenue functionaries bear testimony to this state of insecurity. Such complaints were often addressed to and disposed of by Kathmandu directly. But not everybody could be expected to approach Kathmandu in this manner. Moreover, if private rights in the land were insecure during the lifetime of the individual, this was even more the case for his heirs. It seems to have been the general rule that the property of an individual who did not have any relative within 3 generations should be declared escheat.[13] But even this limited provision was seldom observed. There is evidence that local administrators appropriated the property of a deceased person even when legal heirs were existent. The mother of a person who left no legal heirs was thus entitled not to the property but to a bare subsistence allowance from it.[14]

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[12] *Appointment Of Gaj Singh Khatri As Revenue Collector In Morang On Amanat Basis*, Magh Sudi 13, 1873 (February 1817). (36/354).

The general insecurity which characterized almost all parts of the country during this period constituted another factor deterrent to the growth of the saving habit. Much of this insecurity can be traced to the land grant and revenue collection systems followed by the government. Francois Bernier, who travelled in Mughal India during the period from 1656 to 1668, wrote:[15]

> The Timariots (i.e. *Jagirdars*), Governors and Revenue-contractors on their part reason in this manner: Why should the neglected state of this land create uneasiness in our minds? and why should we expend our money and time to render it fruitful? We may be deprived of it in a single moment, and our exertions would benefit neither ourselves nor our children. Let us draw from the soil all the money we can though the peasant should starve or abscond and we should leave it, when commanded to quit, a dreary wilderness.

We can hardly improve on these words to describe the general condition of the administration in Nepal during the period after political unification. Nor can we exonerate the government for the greed of its administrators. In Chapter 7, we have described how the increasing revenue demands of the government left them with no choice but to oppress the peasantry. The government's attitude towards erring administrators was too soft to make any impact on their conduct. Even though gross oppression was occasionally penalized by transfer or dismissal of the erring official, such action lent additional validity to the administrators' argument that "we may be deprived of it in a single moment." It is also significant that the oppressive conduct of a local administrator was not the primary factor influencing the government's decision whether or not to reappoint him. For example, Shiv Bux Puri, who had been appointed as an *Ijaradar* for the collection of revenue in the Sheoraj area of the western Tarai during a five-year period until 1832, oppressed the people so much that 45 villages were reported to have been totally depopulated. The result was that annual revenue from this area fell from Rs 19,505 to Rs 14,001.[16] However, he was reappointed as *Ijaradar* for a 3-year term in 1836.[17]

To sum up, marginal productivity of labor was fairly high, but average productivity was low because of the low ratio of capital to available land and labor resources. The accumulation of savings was inhibited by the absorption of surplus resources by the State. But even in the absence of such absorption, capital would not have accumulated because of lack of incentive created by such factors as a high propensity to consume, lack of means to mobilize savings and absence of security and rights to hold property. Low productivity on its part engendered low incomes, for, as Myrdal says, "Low incomes are only the other side of low labor productivity, a vicious circle makes poverty and low levels of living or low labor productivity, self-generating."[18]

This attempt to analyze the causes of Nepal's economic stagnation during the period after political unification should by no means be interpreted as a criticism of the policies followed by the Gorkhali rulers. Economic growth did not rank as high in their order of priorities as it does today. We can hardly ignore the fact that territorial expansion was the main objective of official policy. Military campaigns aimed at such expansion must necessarily be conducted through the mobilization of all available human and material resources and this is what the Gorkhali rulers did. We have tried to show that the measures they followed for mobilizing these resources hampered long-term economic growth. However, our analysis does not mean that the resources should have been more appropriately utilized for development. Should the Gorkhali rulers have refrained from unifying the territories now comprising the Kingdom of Nepal because this inevitably led to sacrifices and hardships on the part of the people? At what point should they have stopped their military campaigns and initiated the process of consolidation and reconstruction in the territories already under their control? These are questions which lie beyond the economic historian's prerogative to answer. What really needs to be stressed here is not that the policies followed for implementing their objectives of political unification and territorial expansion hampered economic growth, but that the Gorkhali rulers possessed the will and the determination to implement these policies. The all-out mobilization of human and material resources, irrespective of its purpose, requires a great deal of political and administrative vision, discipline and efficiency. One can only hope that the Nepali people today will be able to develop the same qualities for the reconstruction of their nation as their ancestors displayed while laying its foundation.

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[13] *Order Regarding Complaints Of Oppression In Eastern Tarai Districts*, Chaitra Badi 9, 1865 (March 1809). (96/255).

[14] *Confirmation Of 1793 Tax Assessment Rates In Mahottari*, Kartik Sudi 10, 1866 (November 1809). (40/112).

[15] Irfan Habib, *The Agrarian System Of Mughal India*, Bombay: Asia Publishing House, 1963, p. 32.

[16] *Ijara Grant To Nain Singh For Revenue Collection In Sheoraj, Replacing Shiv Bux Puri*, Bhadra Badi 11, 1890 (April 1833). (26/335).

[17] *Itihas Prakash*, *op. cit.*, Vol. 2, Book 2, p. 182.

[18] Myrdal, *op. cit.*, p. 433.

APPENDIX A

WEIGHTS AND MEASURES

1. *SYSTEMS OF LAND MEASUREMENT*

A. *Hill Region*

The Gorkhali rulers retained the system of land measurement devised by King Jayasthiti Malla (1382-1395) for Kathmandu Valley and the hill areas comprising it. Under this system, agricultural lands were divided into four categories on the basis of productivity, and an area yielding 1 *muri* of grain was denoted as 1 *muri*. If the land was of high productivity, a smaller area was required to produce 1 *muri* of grain than if it was of low productivity. Accordgingly, 1 *muri* of land of the lowest grade of productivity was larger in area than 1 *muri* of the highest grade.

Irrespective of the grade, 4 *muris* of land made one *ropani*. Thus[1] :—

Grade of Land	*Area Per Ropani*
I	2256¼ square *haths*
II	2970¼ ,,
III	3136 ,,
IV	3906¼ ,,

Hath meant 24 times the length of the first phalanx of the thumb, or approximately the length from the top of the middle finger to the elbow. This is roughly equal to 1½ feet.

The *ropani* and *muri* units seem to have been in use in the principalities of the hill region also. References to them are thus found in the regulations promulgated by King Ram Shah of Gorkha.[2] Howeve., it is difficult to say whether these units were identical in area to those used in Kathmandu Valley.

This system of land measurement was retained by the Gorkhali rulers and reconfirmed by Prime Minister Jung Bahadur in 1853.[3] It was replaced in 1907 by a standard *muri* of 1369 square feet with 4 *muris* to the *ropani*, irrespective of the grade.[4] The same system continues at present.

The *ropani* and *muri* units were generally used only for measuring *Khet* or rice lands. *Pakho* or dry lands were seldom measured, and taxes were assessed on them on the basis of the approximate area that could be farmed with one ox-team unit.[5]

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[1] Nayanath Poudel (ed.), *Bhasha Vamshavali* (Chronicle in Nepali Language). Kathmandu: Nepal National Library, Department of Archeology, 2023 (1966). Vol. II, p. 38.

[2] *Legal Code Enacted During The Reign Of King Surendra Bikram Shah Dev*, *op. cit.*, pp. 695-700.

[3] *Ibid*, p. 28.

[4] Government of Nepal, "Jagga Jamin Goshwarako." (On Miscellaneous Land Matters). *Muluki Ain* (Legal Code). Kathmandu: Gorkhapatra Press, 2009 (1952) (2nd reprint of 1935 ed.), Section 8, pp. 63-64.

[5] *Order Regarding Serma Taxation In Palanchok*, Falgun Sudi 1, 1850 (March 1794). (40/425).

B. *Tarai Region*

The *dhur* was the basic unit of land measurement in the Tarai. 20 *dhurs* made 1 *kattha*, and 20 *katthas*, 1 *bigha*. This did not mean that the *bigha* comprised a definite area of land, however. Measuring rods of different lengths were used in different areas. Generally, in Saptari and Mahottari, the rod was 9 *haths* long.[6] In some revenue subdivisions of Mahottari, on the other hand, the rod was 14 *haths* long.[7] In Morang, it was 10 *haths* long.[8] But irrespective of the length of the rod, the square area formed by it was considered equivalent to 1 *dhur*. *A bigha* measured with a 14-*hath* rod thus exceeded one measured with a 9-*hath* rod by more than 55%.

Another reason for the lack of uniformity in the land measurement system used in the Tarai region was that the *hath* itself was not of uniform length. The *hath* of the reigning King was used as the basis of measurement, with the result that the area comprising a *bigha* declined when lands were measured during the reign of a minor King having short hands. In that event, the ryots were required to pay a higher land tax for the same area, for tax assessment rates per *bigha* remained unchanged. Sometimes the government granted minor remissions in other taxes to mitigate this loss suffered by the peasantry.[9]

Since an average *hath* is approximately 1½ feet long, a *bigha* should comprise an area of 8,100 square yards. This is the standard unit of land measurement used in the Tarai region at present. It is also possible that there were other variations of the *bigha* unit. Thus, in the far-western Tarai districts of Banke, Bardiya, Kailali and Kanchanpur, a *bigha* formerly comprised an area of 1,550 square yards.[10]

At least during the earlier survey operations, land was not always actually measured. Thus in 1781 survey officials in Saptari and Mahottari districts were directed:[11]

> Compile assessment record with the consent of the ryots without measuring the land in villages where this will increase revenue. In villages where there will be a loss of revenue if a similar procedure is followed, prepare assessment records only after measuring the land.

Moreover, in many parts of the Tarai, taxes were often assessed on the basis of the approximate area that could be farmed with one team of oxen,[12] thereby obviating any need to actually measure the land.

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[6] *Confirmation of 1793 Tax Assessment Rates In Mahottari*, Kartik Sudi 10, 1866 (November 1809). (40/111).

[7] *Order Regarding Land Measurement In Saptari And Mahottari*, Chaitra Badi 11, 1892 (March 1836). (43/567).

[8] *Order Regarding Land Measurement In Morang*, Kartik Badi 5, 1851 (October 1794). (24/418).

[9] *Order Regarding Land Measurement In Saptari And Mahottari*, Chaitra Badi 11, 1892 (March 1836). (43/567).

[10] Ministry of Law Records, *Kailali-Kanchanpur Tax Assessment Order*, Marga 4, 1982 (November 19, 1925). (12/95).

[11] *Order To Munsiff Manikraj Khawas Regarding Land Survey Operations In Saptari And Mahottari*, Chaitra Sudi 3, 1837 (April 1781). (1A/207).

[12] *Order Regarding Land Tax Assessment Rates In Sheoraj*, Poush Sudi 5, 1856 (January 1800). (24/32); *Order Regarding Rate Of Plow Tax In Chitaun*, Ashadh Badi 9, 1860 (June 1803). (20/99).

2. *VOLUMETRIC MEASUREMENT*

The following system, standardized by King Ram Shah of Gorkha,[13] is still used in the hill districts, including Kathmandu Valley:—

10 *muthis*	1 *mana*
8 *manas*	1 *pathi*
20 *pathis*	1 *muri*

3. *AVOIRDUPOIS WEIGHT*

A. *Hill Region* (As standardized by King Ram Shah).[14]

10 *lals*	1 *masa*
10 *masas*	1 *tola*
216 *tolas*	1 *dharni*

In the case of silver, however, 8 *lals* appear to have been considered equivalent to 1 *masa*.[15]

B. *Tarai Region*

5 *tolas*	1 *chhatak*
4 *chhataks*	1 *pau*
4 *paus*	1 *seer*
40 *seers*	1 *maund*

It should be noted that the quantity contained in a *maund* occasionally varied in different areas.

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[13] *Legal Code Enacted During The Reign Of King Surendra Bikram Shah Dev*, *op. cit.*, p. 695.

[14] *Ibid.*

[15] Gopaldatta Pande, *Vyaktachandrika* (Arithmetic Manual). Nepal: the author, 1971 (1914), p. 2.

APPENDIX B

COINAGE SYSTEMS

Kirkpatrick writes,[1]

"The currency of Nepaul consists, principally, of silver pieces of eight *annas*, there are also some struck of sixteen *annas*; but the circulation of this last coin, which is called a Sicca, is confined to Nepaul proper, and is far from being common even there...

"Besides the silver coins above-mentioned, they have one of so low a value as the two hundred and eighty-eighth part of a Sicca, which is called a Cheedum. It may be easily conceived, however, that the pieces of this denomination are not in ordinary or general use, any more than the very minute gold coins which are sometimes struck at the mint at Khatmanda, and occasionally sent as presents by the Rajah to foreign powers. Even the ushrupee, or gold rupee, of Nepaul is to be considered rather in the light of a medal than of current coin....

"Besides the gold and silver coins enumerated above, they have a copper currency in Nepaul of two or three denominations, such as Chardams, Dodums, &c, thirty-six of the former usually going to the mohr, or eight-anna piece."

According to Hamilton,[2] "In Nepal accounts are kept thus: 4 Damas=1 Paisah; 4 Paisahs=1 Ana; 8 Anas=1 Mohur. The Ana is an imaginary money. The coin called a Mohur varies in its rate of exchange, but is commonly worth 34 Paisahs. The Paisah always exchanges for 4 Damas."

The *anna* was synonymous with the *ganda*. The Nepali rupee usually consisted of 16 *gandas* or 64 *paisas*.[3] According to one source, 22-, 24- and 27-*ganda* rupees also were in circulation,[4] but no documentary evidence is available.

The different denominations and weights of copper coins minted at the Beni Mint in Baglung district in 1806 were as follows[5]:—

Denomination	*Weight*
Paisa	2 *tolas*
Adha-Paisa	1 *tola*
Chhakani	½ *tola*
Dam	2·8 *tolas*

32 *Paisas*=1 rupee

It is possible that these denominations were not uniform in all areas where Nepali coins were in circulation.

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[1] Kirkpatrick, *op. cit.*, pp. 217-218.

[2] Hamilton, *op. cit.*, p. 214.

[3] *Order To Traders Of Palpa To Use 16-Ganda Rupee*, Falgun Sudi 9, 1853 (March 1797). (25/322).

[4] Gopaldatta Pande, *op. cit.*, p. 1.

[5] *Order To Ijaradar Jitaram Newar To Mint Copper Coins At Beni Mint*, Chaitra Sudi 6, 1862 (March 1806). (16/7

APPENDIX C

ADMINISTRATIVE REGULATIONS OF THE GOVERNMENT OF NEPAL, 1793

Regulations promulgated at Nuwakot on Wednesday, Falgun Badi 4, 1849 (February 1793) for administrative arrangements in the country, including the capital and the provincial areas.

1. The *Malik*[1] shall get up at 4 *ghadis*[2] and complete his bath, worship and meal by 12 *ghadis*. He shall then sleep for 6 *ghadis*. For 1 *ghadi* thereafter, he shall have confidential talks with the *Bhardars*. He shall hold court for 9 *ghadis* and listen to and keep himself acquainted with developments both inside and outside the country. At the end of 30 *ghadis*, after the evening greetings and obeisances have been exchanged, he shall dismiss the court. The court shall sit only up to the early hours of the evening, after which it shall be dismissed and everybody shall recreate himself as he likes. This shall be the daily routine.

2. Official functions shall be allocated separately to the *Chautariya*, *Kaji*, *Sardar*, *Khajanchi*, *Taksari*, *Dittha*, *Jethabudha*, *Kharidar*, *Kaptan*, *Subedar*, *Dware*, *Bichari*, *Chhebhadel*, *Itachapli*, *Tusal*, *Kapardar*, *Adal*,[3] etc. The functions of one official shall not be discharged by another. The functions to be allocated to any official may be increased or reduced in consultation with him.

3. A strong fort shall be constructed in Nepal (i.e. Kathmandu Valley). Forts, outposts, barricades etc. shall be constructed at strategic places. Arrangements shall be made for their proper repair and maintenance.

4. Current customs lead to injustice, while it will not be possible to follow the tenets of the *Dharmashastras*. So, in consultation wth the *Guru*, *Purohit*, *Dharmadhikar*, and a few other *Pandits*, *Bhardars*, *Tharghars*, respectable persons and merchants, punishments for different crimes shall be prescribed keeping in view the customs of the country. These shall be inscribed on a copper-plate. A good person shall be given (judicial) authority. *Bicharis* shall be appointed in the numbers recommended by this person. 4 *Pandits* and 16 *Tharghars* shall be placed under him. Summonses of the *Adalat* shall be honored by all. Fines shall be imposed for ignoring such summonses. A company (of troops) shall be assigned (to the *Adalat*). Cases shall be referred to us and punishment as prescribed in the copper-plate inscription shall be awarded. Justice will then be insured.

5. Persons who are to be appointed as officials shall be given temporary appointment for 3 years. If they render satisfactory service, they shall be confirmed in their posts; otherwise, they shall be dismissed.

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[1] Lit. lord or master. The term has obviously been used to denote the King.

[2] 1 *ghadi* is equal to 24 minutes. The King was apparently expected to get up approximately 1½ hours before day-break.

[3] See Glossary for definitions.

6. The different grades of officials and their *Khangi* emoluments shall be prescribed. Promotion shall be given to persons rendering satisfacotry service, but their *Khangi* shall not be increased.

7. Lands in Nepal, the hill regions and the Tarai shall be surveyed. Records of such surveys shall be kept with the government and land grants shall be made, if necessary, on the basis of these records.

8. In case unauthorized collections are made in excess of prescribed rates, the revenue collector shall be punished.

9. Our Tarai region is desolate since large areas are given on *Ijara* to one person, as there are no *Zamindars*. If tenants want to lodge complaints in Kathmandu, they will have to spend 10 or 20 rupees for travel expenses. Those who get lands give 2 or 4 rupees more to the revenue collector to keep him happy. Those who do not get (lands) become homeless and migrate abroad. The *Zamindari* system shall therefore be introduced. If tenants become homeless, the *Zamindar* will lose. If injustice is done in the country, *Zamindars* can come here to complain.

10. Areas shall not be joined together under *Ijara* or *Amanat*. They shall be kept separate. No changes shall be made during the stipulated period. No remission shall be given in respect to the stipulated amount. Both profits and losses belong to the *Ijaradar*. While issuing *Ijaras*, areas shall be surveyed and (necessary) remissions granted. The amount payable (under the *Ijara*) shall be fixed and collected in 12 monthly instalments. In the event of default, interest shall be charged.

11. *Guthis* shall be endowed to provide for major expenses of the royal palace. Transit duties to be collected in the Tarai and Nepal, places where the area of rice land of good quality is small in proportion to the total area, mines and mints shall be surveyed, and assessments thereon shall be made in cash.

12. Reclamable lands in the hills and other areas, including Tumlingtar and Arghu-Phant, shall be reclaimed and assigned as *Jagir*. Soldiers and *Bhardars* shall be given cash salaries only if such lands are not available.

13. *Chaudharis* shall be appointed to control the prices of cloths, foodgrains and other commodities. Principalities which have been retained in our Kingdom shall be under obligation to supply male buffaloes for the Dashain festival and *Salami* levy for the Fagu festival.

14. Brahmans shall be allotted as priests for different classes. Only Brahmans thus authorized shall perform priestly duties at the allotted household. No person shall perform such functions at house-holds other than those allotted to him.

15. Four persons shall be appointed to scrutinize royal orders to be issued in any matter. Such orders shall be issued only if they give their approval. If they do not give their approval, no order shall be issued. Once a royal order is issued, it shall be complied with. Those who violate royal orders shall be punished. If royal orders are found inadequate in content, persons scrutinizing them shall be punished.

16. Fees payable to *Bhardars* shall be prescribed. Those who accept bribes in addition to such fees and tamper with justice shall be punished.

17. *Subbas* shall be appointed only in areas beyond the Bheri and in Vijayapur. Musketeers, shield-bearers and soldiers shall be stationed in areas which are under the jurisdiction of *Subbas*. Areas where *Dwares* have been appointed shall be surveyed and placed under *Ijara*.

18. The administration of the country shall be put under different *Bhardars* in separate sections, so that confusion may not be created.

19. Details of administrative duties assigned to different officials shall be incorporated in regulations which they will draft themselves.

Falgun Badi 4, 1849
(February 1793)
(1A/13).

APPENDIX D

SAPTARI-MAHOTTARI ADMINISTRATIVE REGULATIONS, 1793

From King Ran Bahadur,

To Subba Laxmi Narayan Pandit.

You are hereby commenced to make arrangements as follows in Saptari and Mahottari districts:—

1. Expenditure shall be incurred in the construction of dams and irrigation channels in order to promote land reclamation. Remission shall be granted on the basis of the *Munsiff's* recommendations.
2. *Bhota* and *Tagabi* loans shall be issued with reliable persons as surety for promoting resettlement.
3. Lands shall be measured according to the unit mentioned in royal orders. Revenue shall be transmitted to the treasury on the basis of the assessments thus fixed, the *Jammabandi* records of the *Munsiff* and the collections actually made in that region.
4. Lands which are already under cultivation shall be measured and tax assessments prescribed thereon. *Pattas* of 3 to 5 years, providing for increments in revenue, shall be issued to responsible persons. The *Mokaddam's* emoluments shall be debited from the total amount. Bonds shall be obtained from *Mokaddams* to insure that collections in excess of the prescribed amounts are not made from ryots.
5. Rewards given to *Chaudharis, Kanugoyes, Mokaddams, Jethtaiyats, Sairdars*, etc. shall be debited from the total amount. *Salami* payments collected thereon shall be credited to the accounts.
6. Reasonable expenses incurred during Dashain, Fagu and other functions and in entertaining respectable foreign visitors shall be debited. Presents received from foreign visitors shall be submitted to us.
7. Salaries shall be paid to the *Subba, Fouzdar, Peskar, Munsiff, Naunda, Kathait* and soldiers stationed in forts at rates prescribed by royal order. Such expenses shall be debited from the total amount.
8. Gunpowder, flints and cartridges shall be obtained from the palace and used when necessary. They shall not be misused. Reserve stocks of such supplies shall be maintained at the fort.
9. Remissions shall be given for expenses incurred for customary religious functions.
10. (Lands) assigned to *Chaudharis, Kanugoyes* and *Mokaddams* shall be confirmed on the basis of what is customary in the area. The excess shall be confiscated and the matter shall be reported to us.
11. Complaints received from the district against the revenue collector shall be disposed of after hearing both sides and the guilty person shall be punished.
12. The *Munsiff* shall affix his signature on the tax assessment register. *Chaudharis* and *Kanugoyes* and *Mahaldars* shall affix their signatures on records relating to customs and other miscellaneous taxes and levies.

13. Remuneration shall be paid to ryots and traders who bring Sal or catechu timber to the *Kathmahal*. The *Amil* shall punish persons who use force for this purpose.
14. Remission shall be given for reasonable expenditure incurred on paper, ink, oil and cushions for use at the *Kachahari*, the monthly salary paid to clerks employed for correspondence in Persian, and expenditure incurred in cash, in addition to *Begar* labor, for repairing forts.
15. *Raikar* lands which are found in the courses of investigations to have been appropriated as *Birta* or *Jagir* without authority shall be confiscated.
16. Water from rivers flowing through different *moujas* and *Pargannas* shall be supplied to all villages, whether situated in the *Sira* or in the *Bhatha* region. Any person who uses force in this matter shall be punished, and his land shall be confiscated.
17. Collections of land taxes and other levies made after Baisakh Badi 1, 1850 (April 1793) by the outgoing *Amil* shall be recovered from him according to statements signed by *Chaudharis, Kanugoyes*, etc. In case he does not refund such collections, report the matter to us and we shall give a reply.
18. Remission shall be given for reasonable expenses incurred on *Gumastas, Patuwaris* and peons for collecting *Kathmahal, Sair* and other revenue according to the amount collected.
19. Land taxes shall be collected in instalments as follows:—

Month	*Annas In The Rupee To Be Collected*
Aswin	1
Kartik	1
Marga	2
Poush	3
Magh	3
Falgun	3
Chaitra	2
Baisakh	1
	16 *annas*

Collection shall not be made except in instalments as mentioned above.

In case default is made in the payment of any instalment, additional amounts as mentioned below shall be collected:—

2 *annas* (for each peon) per day for provisions.

4 *annas* per day for other expenses.

One-third of the daily salary of (peons).

The amounts (thus collected) shall be adjusted against the salaries of peons.

20. Employees shall be paid their salaries in instalments. They shall maintain themselves through their own resources till they receive their salaries.
21. Cases of appropriation of taxable lands without authority by *Chaudharis, Kanugoyes, Mokaddams* and *Jethraiyats* shall be detected and appropriate punishment shall be awarded. The *Munsiff* shall receive provisions from the ryots during the time when surveys are underway.

22. Cases shall be disposed of in the presence of *Chaudharis, Kanugoyes, Mokaddams, Birta* owners and others respectable persons. Fines shall be imposed in consultation with *Panchas* and in the presence of ryots on the basis of the nature of the offense.

23. A *Kotwal* shall be appointed in Mahottari to apprehend thieves and dacoits. Ryots shall provide emoluments to him at rates prevalent in Saptari. 1 *mauja* of waste lands shall be granted as *Jagir* to the *Kotwal.*

24. *Kanugoyes* shall compile records containing particulars of land and other revenue, as well as cultivated and waste lands in their areas, submit them to the palace every year and obtain receipts. Failure to submit such records shall be punished with dismissal.

25. *Nankar* land shall be granted to *Chaudharis* and *Kanugoyes* in proportion to the revenue accruing from the *Parganna* under their jurisdiction. Waste lands shall be granted as *Nankar* to those who have no such lands. A tax on the income accruing from such lands shall be collected.

26. *Jagir, Istamrar, Mokarri* and other lands shall be measured and revenue due thereon assessed. These records shall be signed by *Chaudharis* and *Kanugoyes* and submited to us. We shall scrutinize them and issue orders for granting possession.

27. Soldiers stationed in Tistung and Palung have been deputed there. On the day they reach there, pay salaries due to the *Thanedar* and soldiers of the fort and dismiss them.

Marga Sudi 11, 1850
(December 1793)
(36/40).

APPENDIX E

JUMLA ADMINISTRATIVE REGULATIONS, 1796

From King Ran Bahadur Shah,

To Bhayaharan Thapa, son of Subba Prashram Thapa.

We hereby issue the following regulations regarding the work to be done by you in Jumla :—

1. Religious ceremonies during Dashain, Fagu and other festivals shall be conducted as usual. The *Kachahari* building shall be repaired as done by previous *Subbas.* Clothes shall be given to maid-servants and other menials at the palace during the Dashain festival.

2. Salaries in cash and in kind according to the revenue collected there shall be paid to the personnel of [illegible] military companies according to regulations, and receipts shall be obtained against such payments. Offenses committed by *Subedars* and *Jamadars* shall be reported to us, and action shall be taken as ordered.

3. In the event of attack by enemies from any quarter, additional troops shall be recruited for repulsing them. Such troops shall be paid reasonable remunerations and dismissed after the enemy is repulsed.

4. Appropriate expenses for correspondence with foreign countries shall be incurred. Presents received from foreign countries shall be submitted to us.

5. Rs 30 each shall be paid as monthly salaries to the *Munshi* and the *Peshkar.* The *Munshi* shall scrutinize (whether collections have been made) according to the tax assessment records. Appropriate expenses shall be incurred for repairing forts, manufacturing gunpowder and cannon balls, maintaining reserves thereof and constructing wooden bridges.

6. Arrangements shall be made to operate mines. Income therefrom shall be collected and expenses incurred as prescribed. After making arrangements for operating mines, report the matter and dies for minting *Paisa* coins shall be supplied. Stamps for weights and measures have been sent. Revenue from fees in consideration thereof shall be submitted to us.

7. *Birta* and *Fakirana* land grants made by former *Rajas* during their reign, or *Birta* lands purchased from others, shall be scrutinized. Such grants, if valid, shall be confirmed when the matter is represented to us. *Salami* shall be collected in consideration of such confirmation. *Birta* or *Fakirana* land grants made by persons other than reigning *Rajas* shall be confiscated.

8. People of all the 36 castes in Jumla shall display their loyalty to us by complying with the orders of the *Subba.* Cases of disobedience shall be judged by *Panchas* and punishment shall be awarded according to caste status. Men guilty of treason and rebellion shall be beheaded if their caste status so warrants and if they are above 12 years of age. The members of their families shall not be enslaved but shall be sent to a distant place. Those who cannot be beheaded shall be punished with loss of caste or exile.

9. Persons guilty of immoral offenses shall be granted expiation in accordance with local usage and in consultation with a representative of the *Dharmadhikar*.
10. The previous land tax assessment rates, as well as those now introduced in Jumla, shall be reported to us. The schedule of rates sanctioned by us shall then be enforced.
11. The land tax assessment system on the basis of blocks, which is customary in Jumla, shall be abolished and assessment shall be made on the basis of individual holdings. Reliable and honest persons shall be appointed as officials and frequently transferred.
12. Counterfeiters shall be punished with amputation or otherwise according to their caste status as ordered by us in offenses committed after the region was annexed by us.
13. Allowances shall be given to *Jagirdars* and military personnel according to regulations.
14. You have been deputed far from the palace. You shall remain there as long as our favor lasts. In case any evil person submits complaints against you, we shall award justice after hearing both sides. We shall not hear only one side.

Ashadh Sudi 4, 1853
(July 1796)
(5/322).

APPENDIX F

TIMBER EXPORT REGULATIONS, 1811

From King Girban,

To Padmapani Pandit.

We hereby promulgate these regulations for transporting timber cut in Belod, Chitaun, and selling it in Calcutta, as well as for constructing a temple in Kashi. Act according to these regulations :—

1. After the timber reaches the Tribeni river, south of Chitaun, make arrangements for its transportation to Calcutta by boat or by floating it in stacks, whichever costs less, is more convenient and does not result in loss of timber. Charges for boats from Tribeni to Calcutta, as well as wages of boatmen and the cost of rope and provisions, shall be paid as by other merchants. Remissions shall be granted for such expenses in the same manner as granted by other merchants.

2. Maintain the soldiers accompanying the timber under your control and guard the timber day and night. Appoint capable persons as employees and pay them monthly salaries as prescribed in these regulations. Dismiss those who do not obey your orders, and replace them by others.

3. After the timber reaches Calcutta, keep it there for a few days. Ascertain prices from respectable persons in the neighboring areas. If it is possible to sell the timber soon at reasonable prices, do so as soon as you reach there. If prices are not favorable, wait for a few days and sell the timber when prices become favourable. If the timber is not sold out within six months after it has left Tribeni, retain employees as long as necessary. Sell the timber and bring (the proceeds) along with you. The accounts shall be cleared off after ascertaining the reasonable prices.

4. If any timber is lost in streams and rivers on the way, make efforts to recover it. If you cannot do so through your own resources, employ laborers on payment of wages, if necessary, and maintain records of the expenditure thus incurred. The accounts shall be cleared off accordingly. If it is not possible to recover the lost timber even through your efforts and through expenditure of money, the loss shall be remitted. If favorable prices can be obtained by paying some money to anybody while selling the timber, make such payments, which shall be remitted.

5. After the timber is sold and the price collected, prepare a statement of income and expenditure and submit it to us. Make an estimate of the amount required to go to Kashi and construct a temple there with this money, and submit it to us. Incur expenses as ordered and have the temple constructed.

6. Persons who are deputed to sell timber shall get salaries and emoluments as follows. They shall perform the work assigned to them in a profitable manner without causing us any loss, with due consideration to their

morality and integrity:—

Padmapani Pandit	Rs 500
Salaries of 8 peons at Rs 4 per month, for 6 months	Rs 192
Salaries of 2 peons at Rs 7 per month, for 6 months	Rs 84

7. An order has been issued to the *Subba* and *Fouzdars* of Belod, Chitaun, to exact *Jhara* labor from the ryots of all the four *Pargannas* comprising that district for transporting timber to Tribeni. If the entire stock cannot be transported through *Jhara* labor, employ hired laborers. While transporting the timber, have religious ceremonies performed through a *Dhami* according to the rites current in Chitaun. Remission shall be granted for reasonable expenses incurred for both these purposes.

Bhadra Sudi 5, 1868
(September 1811)
(43/254).

APPENDIX G.

MINING REGULATIONS, 1813

From King Girban,

To Hanumant Singh.

We hereby promulgate the following regulations for the operation of an *Ijara* for exploiting copper deposits and minting *Paisa* coins in the regions between Sanga and the Dudhkoshi river, other than mines assigned to (State) markets and the Army. Act faithfully in accordance with these regulations and the *Ijara* deed:—

1. In case any trader smuggles copper, obtain a confession from him, and if he is proved to be guilty of smuggling, confiscate the copper and punish him according to the nature of his offense. The copper brought by him shall be stamped and the customary duties shall be collected thereon.

2. If any trader voluntarily offers to sell his copper, purchase it at reasonable prices. If a mine-worker pilfers copper and sells it elsewhere, confiscate it, and punish him according to the nature of his offense. Do not treat traders and mine-workers unjustly on the ground that you have been granted a monopoly, but conduct transactions in the customary manner.

3. Collect fees from mine-workers at the same rates as previous *Ijaradars*. Do not inflict injustice on the subjects, and do not oppress them. Confirm those mine-workers who work faithfully for you, and dismiss those who do not do so, and cannot work efficiently.

4. Copper and *Paisa* coins to be supplied to the royal palace shall be despatched by *Hulak*. These shall be delivered at the royal palace, and receipts obtained thereagainst. Accounts shall be cleared on the basis of these receipts.

5. Metal-workers in mines shall make copper according to the prescribed manner. Any metal-worker who debases the metal shall be punished. Any person who forges dies and makes counterfeit coins shall suffer punishment on his life and property.

6. Mine-workers in the regions between Sanga and the Dudhkoshi river shall prospect for new deposits. Extract metal from old mines and mint coins. *Mukhiyas* of mines shall continue to enjoy the customary perquisites.

7. The metal-workers of Bhadgaun and Patan, who go to the Nagre mines to manufacture dies for minting coins, shall be exempted from *Jhara* and other forced labor obligations.

Falgun Sudi 10, 1869
(March 1813)
(39/532).

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The archival records of the Lagat Phant (Records Section) of the Department of Land Revenue in the Ministry of Finance of His Majesty's Government, which consist of official copies of orders, notifications, regulations, etc. issued by the government of Nepal, have provided the basic source materials for this study. Some materials have been obtained also from the Jaisikotha (Tibetan Affairs) Section of the Ministry of Foreign Affairs and the Ministry of Law of His Majesty's Government. Materials obtained from these sources have not been individually listed in this bibliography, however. Full references of all documents actually used have been given at appropriate places in the footnotes.

The archival records available at these government offices date back to the conquest of Kathmandu by King Prithvi Narayan Shah in 1768, although a few documents of the earlier period are also available. These records consist of a large variety of documents pertaining to political, economic, administrative and social affairs. Those categories that were found most useful in the preparation of this study may be listed as follows :—

(a) *Regulations* :—In the absence of codified law and administrative manuals for the entire country, the government of Nepal promulgated detailed regulations defining the functions of different categories of administrative, judicial, revenue and religious officials and functionaries for different parts of the country, the procedure to be followed for the implementation of different policy measures such as the confiscation of lands used without royal authority in 1806-1807, and the rights and privileges of different classes and communities. The author was able to procure over 300 of such regulations issued during the period of this study (1768-1846).

(b) *Land Grants And Assignment* under *Birta*, *Jagir*, *Guthi* or other tenure, as well as confirmations of *Kipat* holdings.

(c) *Revenue settlement reports* from different parts of the country.

(d) *Correspondence*, consisting of instructions to officials and functionaries employed in different fields of administrative activity in different parts of the country.

(c) *Orders* on miscellaneous complaints from different parts of the country.

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GLOSSARY

Adai	A functionary at the royal palace in charge of functions relating to *Sera* lands.
Adalat	A court of law.
Adhiya	A crop-sharing system under which the produce was shared equally between the landlord and the cultivator.
Amanat	A system of revenue collection through officials appointed by the government.
Amil	The chief revenue collection official of a district.
Bandha	(1) Lands mortgaged by the government to private individuals. (2) Bondsmen.
Begar	See Jhara.
Beth	See Jhara.
Bhardar	A high-ranking official; a member of the nobility.
Bhatha	Lands in the Tarai adjoining the Indian border.
Bhota	Maintenance loans supplied to settlers under land reclamation projects.
Bichari	Judge.
Bigha	A unit of land measurement in the Terai districts.
Birta	Lands granted by the State to individuals, generally on a tax-free basis.
Bisamuri	A procurement levy imposed on owners of certain categories of *Birta* lands in the hill regions during the Nepal-China war of 1791-93.
Chardam-Theki	(1) A cash levy imposed on each plot of rice land in the hill regions. (2) A fee payable in consideration of the allotment of lands or homesteads.
Chaudhari	(1) A landlord or *Zamindar* in the Tarai districts. (2) A functionary responsible for revenue collection at the *Parganna* level in the Tarai districts. (3) A market inspector. (4) The headman of Newar communities in the hill regions.
Chumawan	A levy collected during the sacred thread investiture ceremony of a royal prince.
Chuni	Cultivators whose names were listed in the tax assessment records.

Chhebadel	Public works office.
Chautariya	A member of the royal family who performed the function of chief minister or royal advisor.
Dashain	A festival celebrated during October or November.
Dharmashastra	Hindu religious scriptures.
Darshanbhet	A cash levy imposed on each government employee or functionary at the time of his appointment or confirmation.
Dhami	A witch doctor, or Shaman, often employed by the government to ward off evil spirits, keep the gods satisfied and check the depredations of wild animals.
Dharmadhikar	Chief-religious authority of the Kingdom.
Dware	(1) A revenue collection official in Salyan, Lamjung, Manang and elsewhere. (2) An official appointed at the royal palace to collect certain levies.
Dittha	A high-ranking officer in the executive or judicial hierarchy.
Fagu	A festival celebrated in February-March during which people throw red powder or colored water on one another.
Fakirana	Tax free lands granted to fakirs, or members of religious orders, particularly Muslim.
Fouzdar	A local functionary in charge of revenue collection and other functions.
Gadimubarak	A levy imposed on the occasion of a royal coronation.
Ghiukhane	A tax assessed and collected in cash on rice lands in Kathmandu Valley and the hill districts in lieu of a share in the wheat crop.
Godan	(1) A levy imposed to finance the ritual gift of cows on special occasions at the royal palace. (2) A fine paid by a person guilty of an offense involving loss of caste to the *Dharmadhika* as a token of expiation.
Goddhuwa	A levy imposed on the occasion of the wedding of a royal princess.
Gumasta	A peon employed in revenue collection functions.
Guthi	Lands endowed to temples, monasteries and other religious and philanthropic institutions or for similar purposes.
Guru	Religious preceptor.
Hulak	A relay of porters.
Ijara	A contract for collection of revenue, exploitation of mines, etc.
Ijaradar	Contractor; the holder of an *Ijara*.
Istamrar	A permanent settlement of revenue for a plot of land or village in the tarai districts.
Itachapli	Criminal court.

Jagir	Lands assigned to a government employee or functionary as emoluments.
Jagirdar	A government employee; beneficiary of *Jagir* land assignments.
Jaisi	(1) Children born of a Brahman man and an unmarried Brahman girl or widow or Brahman woman married to another man, (2) A Newar astrologer caste. (3) An astrologer (a corrupt form of *Jyotishi*).
Jammabandi	Tax assessment record.
Jamadar	A military rank.
Jethraiyat	A prominent ryot in a Tarai village who represented his community before the authorities in revenue administration and other matters.
Jhara	Compulsory labor, generally unpaid, with such variations as *Beth* (agricultural labor) and *Begar* (porterage services).
Jimidar	A landowner; a functionary responsible for revenue collection.
Jimmawal	A revenue collection functionary in the hill districts.
Jethabudha	(1) An official at the royal palace. (2) A village headman in some areas in northern Nepal.
Kachahari	A government office or court; sometimes also used to denote the royal court.
Kanugoye	A functionary responsible for the maintenance of land and revenue records at *Pargonna* level in the Tarai.
Kathait	A lumber worker or trader.
Kathmahal	Timber Contract.
Khangi	Emoluments, of government employees and functionaries, generally in the form of *Jagir* land assignments.
Khet	(1) Irrigated land suitable for rice cultivation. (2) 100 *muris* of rice lands.
Kipat	A form of customary communal land tenure prevalent among Limbus, Rais, Sherpas, Danuwars, Majhis, Newars and other communities in the hill regions, including Kathmandu Valley.
Kotwal	The chief police officer of a town or district.
Kusahi-Birshi	A tax collected from *Birta* owning Brahmans and members of religious sects in consideration of the confirmation of their *Birta* lands in the western regions, including Kumaun.
Kut	A system of tenancy under which rent was payable in the form of a specified quantity of produce or sum of money.
Kapardar	The chief of the royal household.
Kaptan	Captain.

Kharidar	A civil officer.
Khajanchi	Treasurer.
Kaji	A civil officer of ministerial rank.
Mahaldar	A person empowered to operate a government monopoly.
Mandar	A revenue collection functionary in Morang and some districts of the western Tarai.
Mauja	A village as the basic unit of revenue administration.
Mijhars	Headmen of some occupational castes and Mongoloid communities such as Tamauta, Lohar, Mahar, Phalame, Kadera, Majhi, Nau and Sunuwar.
Mohi	A tenant.
Mohinaike	A functionary appointed in Kathmandu Valley and some hill districts to discharge functions relating to land reclamation and revenue collection.
Mokaddam	A *Parganna*-level functionary who assisted in the collection of revenue in the Tarai.
Mokarri	A form of land tenure prevalent in the eastern Tarai districts under which lands or villages were assigned to individuals on payment of a fixed sum of money every year, often on a permanent (*Istamrar*) basis.
Mukhiya	A village headman in the hill districts.
Munshi	An official in some government offices who was in charge of correspondence in Persian or English.
Munsiff	A district-level official responsible for land measurement, compilation of tax assessment records and land reclamation in the Tarai districts.
Muri	(1) 20 pathis of grains or liquids. (2) One-fourth of a ropani of land.
Nankar	Lands assigned to *Chaudharis* and *Mokaddams* in the eastern Tarai districts as their emoluments.
Nausinda	Clerk.
Nirkhi	Sales tax.
Paisa	A copper coin.
Pakho	Unirrigated hillside or high lands.
Pancha	Member of a Panchayat or local council.
Parganna	A group of *maujas* joined together for purposes of revenue administration in the Tarai.
Patta	Land allotment certificate.
Patuwari	A village level functionary in the Tarai districts who maintained land and revenue records.
Peskar	A judicial functionary in some Tarai districts.
Pota	Tax payable as some categories of *Birta* lands in Kathmandu Valley.

Pradhan	(1) A revenue collection functionary in Kathmandu Valley at the village level, chosen from among local landowners. (2) Headmen of the Putwar, Dole, Bala, Duiyan, Dali and other communities in Kathmandu Valley.
Pandit	A learned person.
Purohit	Priest.
Rai	(1) A branch of the Kirati community, mainly inhabiting Majhkirat in the eastern hill region. (2) A village headman in the Kirati community.
Raikar	State-owned land.
Ropani	A unit of land measurement in the hill districts and Kathmandu Valley, equal to 4 *muris*.
Sair	A generic term used to denote customs, excise and other duties in the Tarai.
Sairdar	A person empowered to collect customs, excise and other duties.
Salami	A generic term used to denote different categories of fees or levies.
Sanyasi	Member of a religious sect which renounces worldly life; the term is used also to denote Sanyasis who have reverted to the life of a householder.
Sera	Lands assigned for the supply of agricultural commodities to meet the requirements of the royal household.
Sira	Lands situated in the northern part of the Tarai.
Subba	(1) Village headmen of the Limbu community in the far-eastern hill regions. (2) The chief administrative officer of a district.
Subedar	The commander of a military company, often placed in charge of a district.
Sardar	A top-ranking officer in charge of military affairs.
Tagabi	Loans supplied to settlers for agricultural purpose
Thani	A village-level revenue functionary in Jumla, Mustang and other areas in north-western Nepal.
Tola	A unit of weight equal to 0·01 kilogram.
Tharghars	Chiefs of selected castes who were in charge of such functions as demarcation of *Birta* boundaries.
Tusal	An office responsible for the registration of land transactions, procurement of metals for the Mint, etc.
Taksari	Master of the Mint, who was also responsible for collection of customs duties on Nepal-Tibet trade.
Thanedar	The chief of a police outpost.

Walak	Homestead levies collected in the hill districts, including Kathmandu Valley. They were of three kinds: (i) *Saune Fagu Walak*, collected during the months of Shrawan and Falgun every year, (ii) *Harsha Bisnat Ko Walak*, collected on occasions of national celebration or mourning, and (iii) *Kaj Kalyan Ko Walak*, collected on festive and ceremonial occasions.
Zamindar	A landlord or revenue collection functionary in the Tarai districts.

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